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POLISH DELEGATES ADDRESS VIENNA CSCE MEETINGS

LD292353 Warsaw PAP in English 2146 GMT 29 Jan 87

[Text] Vienna, Jan. 29 -- At the Vienna '86 CSCE meeting the Polish delegation focuses its attention on working out a mandate to enlarge the CSCE process to include the issue of arms reductions in Europe and would make it possible to widen cooperation in all the fields regulated by CSCE decisions.

Speaking at a meeting of the group dealing with military aspects of security, Polish delegate Colonel Edmund Staniewski said that conditions are ripe not only to start negotiations on conventional disarmament in Europe but make decisions on the issue. He recalled that the Polish side's proposals to this effect had been included in the June 11, 1986, message of Warsaw Treaty member states to the NATO and other European states.

Another Polish delegate, Dr Adam Daniel Rotfeld, addressed a meeting devoted to the observance of the ten CSCE principles to reject the recurring attempts by some Western delegations to elevate a formula on the possibilities of peaceful frontier changes to the rank of principle. He made correcting remarks to the address by a Swiss delegate and recalled that the invasion of Poland by Nazi Germany in 1939 had been preceded by demands for peaceful frontier changes.

HUNGARIAN OFFICIAL DISCUSSES CSCE TALKS

AU281101 Budapest NEPSZABADSAG in Hungarian 26 Jan 87 p 2

[Interview with Laszlo Demus, head of the Hungarian Foreign Ministry's Main Department of Security Policy, by correspondent Andras Kanyo -- date and place not given]

[Text] Following the winter recess, the representatives of the 33 European countries and of the United States and Canada who are participating in the third follow-up meeting in the Vienna Hofburg will continue their work on 27 January. Laszlo Demus, head of the Foreign Ministry's Main Department of Security Policy, received our correspondent Andras Kanyo and answered the questions put by NEPSZABADSAG.

[Kanyo] As head of a main department that also deals with European security and cooperation issues, you are following the Vienna talks with attention. What was the main task of the last round of talks prior to the winter recess, and did you achieve the goals set?

[Demus] The main goals of the first round were to review the implementation of the tasks set out in the Helsinki final document and in the final document of the Madrid Follow-up Conference as well as to evaluate the activity of the experts' conference held between the two follow-up meetings. I regard it as important that, in accordance with its importance, the Vienna meeting highly evaluated the agreement reached at the Stockholm Conference on Security and Disarmament to jointly introduce several confidence-strengthening measures. The majority of the participants agreed that a balanced implementation of the final document requires the elimination of the lag with regard to the second basket, the area of economic-commercial and technical-scientific cooperation. In the course of the debate there was often a confrontation of opposing opinions. Representatives of several Western countries placed human rights and humanitarian issues at the forefront.

As our press informed its readers at the time, the socialist countries proposals' covered all the baskets: further negotiations on military security issues; East-West economic, scientific, technological, and ecological cooperation; human rights and humanitarian issues; and minorities issues. Thanks to all these, the first round of negotiations fulfilled its task. It completed the "foundations" necessary for further work.

[Kanyo] What difficulties did the Hungarian delegates encounter in the course of the activity in certain expert committees?

[Demus] Difficulties were caused only by the "abundance" of subjects discussed. The fact that 8 Hungarian speeches were made at the plenary sessions and 15 speeches at the auxiliary working groups shows the activity of our delegation. The Hungarian speeches were followed with interest. There were also critical comments. One of the Western delegations, for example, criticized the fact that Western newspapers are very expensive in Hungary. Our reply, based on the concrete comparison of prices, proved that we were not selling foreign newspapers at a higher price than other European capitals.

[Kanyo] As you have already mentioned, minorities issues were also discussed in Vienna. You explained the Hungarian position. How was this subject accepted?

[Demus] The participants in the plenary session followed the Hungarian position and the examples taken from practice with interest and perceptible attention. This issue -- as a result of European history and the numerous regional and population regroupings -- affects more or less almost every European country. The other reason for the attention with which this subject was followed is the experience that has matured by the time of the Vienna conference and according to which the minorities issue is closely and genuinely related to almost all areas of European cooperation. We must analyze the way the proposals of the Helsinki and Madrid final documents are asserted in practice, not only in connection with the assertion of human rights, but also in connection with relations between people and the conditions for travel, information, mother tongue culture, and education.

The majority of the participants received the position we expressed in the speech with understanding. They understood, for example, the foundation of the need for the Hungarian minorities living all over the world and mainly in the neighboring states to maintain and develop their friendly relations with Hungary. Similarly, the efforts to assert reciprocity are reasonable; that is, the minorities living in Hungary strongly encourage recognition that they belong to a common-language, ethnic minority and ensure the practical assertion of this recognition. The participants did not argue with the right of the Hungarian Government to promote such relations in both directions in its foreign policy and with its efforts to ensure that these ties and relations strengthen the peoples' confidence in each other and the cooperation between their countries. Nor did anyone contest the position according to which safeguarding the rights and interests of the minorities should be exercised by the government of the country in which the members of such minorities live and of which they are citizens -- in accordance with the principles of relations between states adopted in Helsinki in 1975. All kinds of nationalism and its worst kind -- the forced assimilation and patronage over minorities -- contradict these principles.

[Kanyo] The fact that NATO is willing to negotiate on the reduction of conventional forces and arms also affects the coming round of talks. What is the next step in this subject?

[Demus] The situation in Europe today is that, in addition to the elimination of nuclear weapons, there is also a need to radically reduce conventional forces and arms as soon as possible. This is so because the most modern conventional and chemical weapons have a mass-destruction effect that is almost similar to nuclear arms. This is the reason why, in their Budapest appeal of June 1986, the Warsaw Pact countries proposed to NATO and to every country in Europe a radical reduction of conventional forces and arms. In Vienna the socialist countries proposed that, following this meeting, in the second round of the Stockholm conference, negotiations should start on concrete disarmament issues. The Polish proposal submitted before the recess, a proposal also supported by Hungary, contains this concept. The negotiating mandate of the disarmament issues should, of course, be worked out with the active cooperation of neutral and nonaligned countries.

[Kanyo] How long is the new round of negotiations presumed to last and what tasks need to be solved?

[Demus] According to the agenda of the conference, the next round will last until 10 April, and this will be followed by a recess. The following round will commence on 5 May and will last until 31 May. Concerning content, the activities will continue as follows: Up to 18 February, delegations will be able to submit their proposals to further the implementation of the final document.

Thus, in the coming weeks participants will concentrate on submitting, debating, and studying the proposals that will determine the future of cooperation. The main task now is the for the delegates to find the connecting points. This can lay the foundations for the possibility of working out the major final document, an activity to commence on 19 February and to conclude by the end of July.

BTA PRAISES ZHIVKOV MESSAGE TO UN'S DE CUELLAR

AU291816 Sofia BTA in English 1655 GMT 29 Jan 87

["Bulgarian Share in Peace and World Cooperation Drive" -- BTA headline]

[Text] Sofia, January 29 (BTA political observer Nencho Khranov) -- The message which the Bulgarian party leader and head of state, Mr Todor Zhivkov, sent to Mr Javier Perez de Cuellar, secretary general of the United Nations, summing-up of the U.N.- declared International Year of Peace in 1986, has come as yet another clear and categorical manifestation of this country's policy in favour of mankind's peaceful future, disarmament and cooperation.

The International Year of Peace gave the citizens of the People's Republic of Bulgaria an impetus to redouble their efforts, together with all peace-loving people on the planet, to stop the deadly spiral of the arms race, to activate dialogue, to seek bold solutions to the complicated international problems. Mr Zhivkov's message summarizes the work of the Bulgarian diplomats and public towards these lofty goals, and it demonstrates socialist Bulgaria's modest yet earnest share in support of the noble cause of peace and international cooperation.

Within the framework of the socialist countries' politico-military alliance, the Warsaw Treaty Organization, by its share in the multifarious activities of the United Nations and at all other international forums, Bulgaria has made and will be making its contribution to the search for new approaches and solutions to the elimination of all weapons on earth, both nuclear and conventional, and to the non-militarization of outer space. This country plays a constructive and active part in the Balkans, seeking a promotion of good-neighbourliness and the turning of this strategically important part of the world into a nuclear- and chemical-weapons-free zone.

Mr Todor Zhivkov's message mirrors the thoughts and feelings of the entire Bulgarian people, it epitomizes their will to bring mankind closer to the realization of the great dream: a world without weapons and wars. And this is in harmony with the peaceful constructive aspirations of the People's Republic of Bulgaria, with her socialist system, with her lofty goals, which can only be accomplished if she lives in peace and cooperation with the other peoples. The International Year of Peace is over, but the events during the past twelve months, as the Bulgarian leader put it, have reaffirmed our conviction that no question is more vital now than the maintenance of peace and mankind's survival. This will be our invariable motto in the years to come.

PARLIAMENT FOREIGN POLICY COMMISSION MEETS

AU291206 Sofia Domestic Service in Bulgarian 1000 GMT 19 Jan 87

[Text] We will begin with a report on the session of the National Assembly Foreign Policy Commission which was held today. A proposal on ratifying the 1969 Vienna Convention on the Law on Treaties was discussed. Bulgaria's activities in support of Mikhail Gorbachev's Declaration of 15 January 1986, the Soviet nuclear test moratorium, and the Soviet proposals submitted in Reykjavik were reviewed. The session was chaired by Milko Balev, chairman of the Foreign Policy Commission. Reporter [first name indistinct] Gerov will give us more details on the session:

[Begin Gerov recording] The proposal on the ratification of the Vienna Convention on the Law on Treaties was discussed at today's session at the request of Todor Zhivkov, chairman of the State Council. The deputies listened to a report of the Ministry of Foreign Affairs leadership, delivered by Deputy Minister Lyuben Gotsev, and to the statements of several National Assembly deputies on the subject. Following this, the Commission unanimously adopted a conclusion which stresses the great importance of the Vienna convention in connection with enhancing the role of international law in international relations. As the National Assembly deputies pointed out, the fact that our country is joining the convention will contribute to the stable regulations and development of our country's bilateral and multilateral treaty relations, which serve peace, security, and mutually advantageous cooperation among states.

In the conclusion adopted, the Foreign Policy Commission proposes to the State Council that it ratify the 1969 Vienna convention. It also recommends the adoption of a law on our country's participation in international treaties which should fully settle all matters concerning the preparation, signing, validity, implementation, and rescinding of Bulgaria's international treaties.

Dealing with item two of the agenda, the National Assembly deputies discussed our country's activities in support of the Soviet peace initiatives and proposals. As National Assembly Deputy Krum Vasilev pointed out in his report, the 13th BCP Congress and the series of important party decisions and initiatives that followed it exerted and will exert a great mobilizing impact. They have become a basis for an extensive and multifarious practical activity in this respect.

Full and active support for the Soviet initiatives was expressed at the session also on behalf of the Bulgarian National Agrarian Union [BZNS], the National Assembly, the government, and the social organizations. As the National Assembly deputies pointed out, the entire, many-sided and consistent activities exerted by our country in support of Comrade Mikhail Gorbachev's declaration of 15 January 1986, the Soviet Union's moratorium on nuclear tests, and the Soviet proposals submitted at Reykjavik, once more demonstrate Bulgaria's position in the vanguard of states which are struggling for peace. At the same time, the Foreign Policy Commission at today's session discussed and pointed out opportunities for even more active initiatives of the social organizations, the National Assembly permanent commissions, and all scientific and creative unions in the struggle for a world free of nuclear weapons. [end recording]

Commission Meeting Ends

AU292030 Sofia BTA in English 1956 GMT 29 Jan 87

[Text] Sofia, January 29 (BTA) -- The Bulgarian National Assembly Standing Committee on Foreign Policy met today to discuss this country's activity in support of Mikhail Gorbachev's January 15, 1986 statement, of the U.S.S.R. moratorium on nuclear tests and of the Soviet proposals put forward at the Reykjavik summit.

The expose and the statements stressed that by her active and diverse work, done so far on a national and international scale in support of the Soviet peace initiatives, Bulgaria has contributed usefully to the search for the removal of the nuclear threat by the forces of peace and progress.

It was pointed out that Bulgaria's efforts in backing the Soviet initiatives for a nuclear-free world have been focused in the priority areas of Europe and above all the Balkans, where this country, in cooperation with the other Balkan states, works for turning the peninsula into a zone free of nuclear and chemical weapons.

The M.P.s expressed their unqualified approval to the assessments and formulations, contained in Mr Todor Zhivkov's message to Mr Javier Perez de Cuellar on the marking of the International Year of Peace in Bulgaria. The message emphasizes the irresistible force of the Soviet peace initiatives, the M.P.s said in their statements.

The committee chairman Mr Milko Balev M.P., Politburo member and secretary of the CC of the BCP, observed in his closing remarks that Mr Mikhail Gorbachev's major report on the reorganization and the CPSU cadre policy is also a contribution to the struggle for peace, as it strengthens the positions of the forces of peace.

"Mikhail Gorbachev's report contains fundamentally new formulations, which elaborate further the ideas of the April 1985 plenum of the CC of the CPSU, formulations which reassert the correctness of the new Soviet party line of a historic reconstruction, formulations as important as revolutionary breakthroughs.

"The main points in Comrade Gorbachev's report should be viewed as an integral part of the new edition of the CPSU Programme, adopted by the 27th Congress.

"The problems raised and solved in the report do not concern merely internal political developments of the Soviet Union. They are universal problems, which will have a bearing on our work on the international scene, on the struggle for peace, for a twenty-five century without weapons, war and violence," Mr Milko Balev said.

In another item on its agenda, the committee moved to the State Council to ratify the Vienna Convention on the Law of Treaties, adopted by the U.N. Conference on the Law of Treaties on May 23, 1969.

It was pointed out that the adherence to the Vienna convention will enable Bulgaria to stabilize the regulation and promotion of her bilateral and multilateral contractual relations, which serve the cause of peace, security and mutually advantageous inter-state cooperation.

The committee drew up a bill on Bulgaria's participation in international treaties in accordance with the Vienna convention.

ATANASOV ATTENDS SOCIAL COUNCIL MEETING

AU291916 Sofia Domestic Service in Bulgarian 1830 GMT 29 Jan 87

[Text] A meeting of the Social Council of the Council of Ministers took place on 29 January. It adopted a national program on combating diseases of social importance [sotsialno znachimi zabolyavaniya]. In response to the tasks posed by the 13th BCP Congress and the requirements for a healthy manner of living, the program envisages prophylactic measures for preventing and healing diseases of social importance. The program has a superdepartmental character and requires the construction of a broad state-social fund for facilitating favorable changes in the demographic processes and for better vitality, working ability, and longevity of the individual members of society and the entire nation. The implementation of the program poses new responsibilities and offers new approaches on the part of the economic organizations to solving the topical social problems of the collectives.

Comrade Georgi Atanasov took part in the work of the Social Council.

CONSUMER INDUSTRY ASSOCIATED FORMED IN SOFIA

AU291320 Sofia BTA in English 1156 GMT 29 Jan 87

[Text] Sofia, January 29 (BTA) -- A new association was founded yesterday in this country. The name of the association -- "Consumer Industry" -- clearly shows the sphere of activity of this organization and completely reflects the philosophy of socialist society and its main goal -- to better satisfy the constantly growing material and intellectual needs of the people.

More than 20 economic organizations, combines, scientific-production institutes and other organizations have been united in order to increase the quantity and quality, to improve the variety of consumer goods. The association will concentrate production, trade and service of consumer goods and will concentrate all branches and sub-branches of industry producing consumer goods.

In this sphere the stress is laid on the qualitative characteristics of the goods, on the modern requirements for goods and services. The association will mainly be working on the introduction of new technologies, on monitoring of the market and on the liquidation of the deficiency of certain consumer goods, and on the production of goods competitive in the international market.

BRIEFS

BARTER TRADE WITH POLAND -- Sofia, January 22 (BTA) -- Last year the barter between Bulagaria and Poland amounted to 830 million roubles, although 770 millions were planned, said Mr. Marek Yankowski, a trade adviser at the Polish Embassy in Sofia. It is expected that 1987 will be even more fruitful for the economic relations between Bulgaria and Poland, which will correspond to the economic reconstruction carried out in the C.M.E.A. member states. The exchange of merchandise will increase by 7.7 per cent in comparison with the previous year. Bulgaria will export for Poland electronical products, metal working machines, refrigeratory equipment, electrical and motor trucks, machines and equipment for the food industry, chemical products, fruits and vegetables. [Text] [Sofia BTA in English 1859 GMT 22 Jan 87 AU]

AGREEMENT WITH MONSANTO EUROPE -- Sofia, January 21 (BTA) -- A general agreement on techno-scientific, industrial and trade cooperation between the Bulgarian Association for Biotechnologies and the Chemical Industry and Monsanto Europe NV was signed in Sofia today. It is intended to encourage cooperation in the fields of the biochemical, chemical and petrochemical industries. Special attention has been paid to the broadening of the contacts in the production of plastics and additives, chemicals and equipment for the rubber industry and agriculture, and additives improving the productivity of cattle breeding. The two companies will assist each other in the development of biotechnologies, gene engineering in plant selection, environment conservation, and in the food industry. The document was signed by the two companies' presidents. [Text] [Sofia BTA in English 1817 GMT 21 Jan 87 AU]

PRAGUE COMMENTS ON SIGNIFICANCE OF CPSU SESSION

LD291922 Prague Domestic Service in Czech 1730 GMT 29 Jan 87

[Commentary by Antonin Kostka on the CPSU Central Committee Plemun: "Pioneers of Historical Progress"]

[Text] This session was a very important and significant stage of the present revolutionary process taking place in the Soviet Union, in particular since the 27th CPSU Congress. It is an important and significant stage because the Central Committee has not only succeeded in further defining and clarifying the main factors of this process, but at the same time it is also creating prerequisites for its evenmore effective progress.

The present revolutionary process in the Soviet Union is not some kind of change in the social system or the replacement of one form of social economic relations with a different form, but it is a process of turbulent perfection of the present system in all areas. It is the process of demolishing the rigid, obsolete, and no longer effective mechanisms and approaches and of replacing them with new mechanisms that are more flexible and effective. This replacement is not in itself final but is based on the needs of development and the general wish for socialism to be able to much more fully make use of its possibilities and advantages, so progress in economic and social spheres is made easier and faster and so the advantages of progress in science and research and planned economy can be more effectively linked for the benefit of all citizens. This means that it is for a considerable improvement in the standard of living and greater space for creative work so we can live more contentedly and more freely [volneji]; in short, to give socialism the most modern forms of social organization and to implement the humanist character of socialist management to the maximum.

A prerequisite of the successful progress of such a revolutionary process cannot simply be economic, administrative changes, or economic reconstruction. A no less important prerequisite, in particular, is the further democratization of Soviet society, and this is precisely what the 2-day session of the CPSU Central Committee concerned itself with. The resolution adopted at the close of the session is a kind of railway timetable and a charter of reconstruction of public political life in Soviet society, unfolding of Leninist norms of socialist democracy, the perfecting of the Party's cadre policy, and the mobilization of the widest strata toward direct participation in management and in directing society.

It is, therefore, no surprise that the session of the CPSU Central Committee was carefully monitored throughout the world. Opponents of socialism watched it with displeasure, because they are nototious for fearing every success of socialism. In socialist countries and progressive circles it was watched with interest and hope, because today, as always, past Soviet experiences can take the lead in solving ones own problems and difficulties, and in particular, because the further development and strengthening of socialism in the Soviet Union, and its rise to a higher level, will undoubtedly strengthen the cause of peace and progress throughout the world. This fully corresponds to the noble tradition of Soviet communists to be pioneers of historic development. The interest with which we follow the present development of Soviet society is therefore quite understandable, all the more so because our society is on the verge of reconstructing its own economic mechanism and of changes that are an intrinsic part of this.

Significant changes in the life of the Soviet Union and new thoughts and ideas coming from there have, therefore, to use the words of Comrade Gustav Husak, an inspirational force for our people.

COMMENTARY STRESSES INTERNATIONAL COMMUNISM

AU220922 Prague NOVA MYSL No 1 (1987) in Czech and Slovak pp 88-99

[Article by Doctor Ivan Hlivka, Doctor of Sciences, CPCZ Central Committee, Prague: "On Some Issues Pertaining to the Development of the International Communist Movement"]

[Excerpts] Not only communists but also Czechoslovakia's broad public is often interested in the situation in the communist movement. And no wonder; after all, our movement is a force that plays an immense role in the contemporary correlation of class and political forces in the world arena and in their mutual competition for determining mankind's further development. [passage omitted]

There are some parties that, to this day, are not clear about the relationship between internal capitalist differences and their foreign political consequences on the one hand, and the differences and the struggle between two world social systems on the other hand. They are confusing the class substance of the struggle between two systems with differences between "blocs" or "big powers," and at the same time they at times blame them for being equally responsible for the causes of the danger of war. The harm that results from such fumbling in such highly important issues is obvious. It weakens the authority of world socialism and thus of communists in general. [passage omitted]

Communist parties are gradually abandoning the traditional forms of work in mass movements and are looking for new ones, for "mutual cooperation." Today, when the class fronts between imperialist and anti-imperialist forces have become starkly divided, communist parties must cooperate not only with those who are on their side of the barricade, but also with some who are on the barricade's other side, in the name of the preservation of mankind, because today the class struggle is developing throughout the world and in all aspects of the coordinate system of the present day nuclear and space realities. [passage omitted]

The objective development in the past years, determined not only by the social, but also the scientific-technical revolution, causes certain difficulties to the movement; it leads to profound and rapid changes in the social base of the communist movement. Three basic strata are developing within the framework of the workers class: The "traditional" workers, the "new" workers who have ties with modern technologies and who are working with their brains, and the "marginal" ["marginalizovani"] workers, whom technological restructuring pushed out of production.

The "traditional" strata of the industrial proletariat even today are the main pillar of the communist movement. They are concentrated in big enterprises, they are combative and highly organized in trade union organizations, and they have great experience in class struggles. It is precisely these spheres in which the greatest strike struggles are being waged. But the number of workers in the manufacturing industry, especially in the FRG, the United States, Great Britain, and other developed countries, is decreasing. Fear of unemployment elicits, among other things, tendencies toward adapting oneself, conformism, and economism [ekonomizmus]. That weakens the workers revolutionary movement, the combativeness of trade unions, and in the final consequence, the potential of communist parties.

Capital is trying to exploit the social consequences of technological restructuring against the revolutionary process. It deepens the differences in the standard of living of hired labor employed in production branches "with no future" and those in industries with bright prospects. In this way, they pit one section of the workers class against another. Monopolies exploit the mass unemployment to pressure the entire workers movement, with the help of the policy of "tough austerity" to the detriment of the incomres of the working people and social expenditure.

The contemporary trends of the bourgeois policy in issues of technical modernization, unemployment, work relations, and social programs pursue a certain socioeconomic restructuring of society, which would curb the waging of class struggle and could not strengthen the communist revolutionary potential. These trends of capital constitute a danger for the organized workers movement and weaken trade union centers. This also shows in the drop in the proportion of trade unionists in the overall number of the employed; in the past 5 years, this drop in France has been 5 percent and remains stable at 20 percent, and in Italy it is 40 percent -- although at the beginning of the 1970's this figure was 55 percent. The situation in Spain is similar. [passage omitted]

Numerous facts show that the contemporary workers class in capitalist countries has social and intellectual features that create prerequisites for its ever increasing activity and participation in the socioeconomnic struggle and sociopolitical life, in the class struggle. Favorable presrequisites are being created for the growth of the communist movement and its activity at a new, higher level. [passage omitted]

Today, communists have more common tasks than before: It is necessary to resolve global problems, to strive jointly to direct the results of the scientific-technical revolution for the benefit of mankind, and to overcome backwardness, poverty, and sometimes even hopeless destitution, the entire bitter legacy of the slavish past and the wily system of neocolonialist exploitation of the developing world. It is necessary to coordinate much more and much better the struggle of the workers class and the working people against the hegemony of supranational corporations, which strive to subordinate the lives of entire countries and nations to their interests. In this respect, it is necessary to shape and deepen the international solidarity of the workers class of the capitalist countries with the progressive forces of the Third World. The communist movement should provide an answer to the question as to how to most democratically resolve the issue of the indebtedness of the developing world, how to establish a new economic order, and how best to determine an economic program of the "Third World's" revolutions. [passage omitted]

The present day difficulties of the communist movement are the result of the accelerated historical process. The movement is undergoing a period of the accumulation of potential and of preparations for another historic offensive. It faces numerous difficulties but also an increasing number of possibilities. It is in the power of the communists of the world to live up to the demands of the times.

STATISTICS OFFICE ISSUES 1986 ECONOMIC REPORT

LD231924 Prague CTK in English 1554 GMT 23 Jan 87

["Czechoslovak Economy in 1986 - Office of Statistics Report" -- CTK headline]

[Text] Prague Jan 23 (CTK) - In harmony with the strategy of speeding up socio-economnic development, the Czechoslovak national economy made further progress in 1986 in increasing the effectiveness and intensifying the reproduction process, and this helped speed up the rate of growth in the creation of the national income in comparison with 1985.

The gross national income rose by 3.4 per cent, but the increase was short of the planned 3.5 per cent, the Federal Office of Statistics said in a report released today.

The report on the development of the national economy and fulfilment of the plan in 1986 said that as compared with the 7th Five-Year Plan period (1981-1985) the rate of the creation of material resources further improved. Social productivity of labour rose by 2.7 per cent. However, the cost of production was not lowered as much as planned and this was main reason for failure to fulfil the planned increment in the national income. Quality, technical-economic parameters and innovation were not increased to the desired extent. The results of scientific-technological progress were not used to the needed extent for intensification and growth of the effectiveness of social production.

Industrial production rose by 3.1 per cent, as compared with the planned 2.6 per cent, the report said, adding 1986 had one workday fewer than 1985. There was a great difference between industrial enterprises in the fulfilment of the plan.

Production of the engineering and electrical engineering industries increased by 4.8 per cent as planned, but heavy and general engineering fulfilled or surpassed their plan and production in the electrical engineering industry rose only by 8.5 per cent (8.9 per cent had been planned).

The metallurgical industry by far exceeded its tasks, its production rose by 1.6 per cent, 0.1 per cent had been planned, iron production stagnated, steel production rose by 0.5 per cent and rolled material by 1.3 per cent. Production in the chemical industry increased by 4.3 per cent (3 per cent planned) and the wood-processing industry surpassed its plan, but the light industry production rose by 2.1, as compared with 3.5 per cent planned.

The Federal Office of Statistics report said that of the 345 research and development tasks set by the plan of technical development only 328 were solved, i.e. 95.1 per cent. The application of scientific-technological, progress in practice raised the share of progressive technologies, for instance, it increased continuous steel casting by 12.5 per cent.

Robotization continued - a total of 961 industrial robots were completed in Czechoslovakia in 1986. Spendings on research and development rose by 5.5 per cent and amounted to 22,500 million crowns. The comprehensive program of scientific and technological progress of the CMEA states up to the year 2000 started to be implemented. Scientific-technologicl cooperation with other CMEA member states was promoted, especially with the Soviet Union, and was focused on the development of automation, electronization and nuclear engineering.

Gross agricultural productin was up as planned by 0.5 per cent as compared with 1985, and by 4.3 per cent against the average of the 1981-85 period. The plan of crops production was not fulfilled with the exception of maize, but the plan of livestock production was surpassed. Food industry production rose by 1.7 per cent (1.6 per cent had been planned).

The 1986 plan in forestry and water conservancy was fulfilled -- forests were planted on 52,300 hectares, i.e. 3.2 per cent more than planned, the Federal Office of Statistics said.

The building industry exceeded its plan by 0.7 per cent and started work on joint projects in the Soviet Union. The productivity of labour in the building industry rose by 1.7 per cent and was higher than planned.

Transport secure the needs of the national economy. River transport grew at the quickest rate. In telecommunications, the density of telephone stations was 23.8 per 100 inhabitants and 98.9 per cent of the total number of telephone stations were linked to the automatic dialling system.

The foreign trade plan was fulfilled. Its overall turnover rose by 3 per cent. Turnover with the socialist countries increased by 2.9 per cent, non-socialist countries by 3.9 per cent, with the CMEA member states by 3.7 per cent, with the Soviet Union by 1.9 per cent. The socialist countries accounted for 78.6 per cent of the Czechoslovak foreign trade. Planned exports to the imports from the socialist countries were exceeded. The plan of exports to non-socialist countries was fulfilled. The share of engineering products in exports rose, but the effectiveness of export did not.

Investment work and deliveries for the Czechoslovak national economy in 1986 totalled 161,500 million crowns, of which construction work accounted for 86,500 million crowns and deliveries of machinery and equipment for 74,000 million crowns. The rate of capital construction was higher than planned.

According to the report of the Federal Office of Statistics, the living standard of the population further increased last year. The personal consumption rose by 2.2 per cent and real income of the population by 2.9 per cent as compared to the previous year. The social consumption increased by 3.4 per cent (state spendings on health care, education and social security).

Monetary incomes of the population rose by 3.3 per cent, the real wage by 1.2 per cent. The retail-trade turnover reached 304,700 million crowns, i.e. a 2.8-per cent increase. A total of 78,200 flats were completed (94 per cent of the planned number).

Higher attention was paid to environmental protection -- the construction of sewage disposal plants and introduction of equipment improving air protection continued. A total of 230 projects of environmental protection were started with costs reaching 12,800 million crowns.

There were 220,000 live-births in Czechoslovakia in 1986, i.e. 5,000 fewer than in 1985. The population rose by 35,000 against 1985 and reached 15,555,000 at the end of last year.

HOFFMANN OPENS TRADE UNION COUNCIL PLENUM

LD300710 Prague Domestic Service in Slovak 1100 GMT 29 Jan 87

[Text] The extraordinary plenary meeting of the Central Council of Trade Unions discussed in Prague today the role of the Czechoslovak trade unions in further improving the activity of the WFTU.

The deliberations were opened by Karel Hoffmann, CPCZ Central Committee Presidium member and chairman of the Central Council of Trade Unions.

Viliam Kozik, secretary of the council, reported on the participation of the Czechoslovak trade union delegation at the World Trade Union Congress, which was held in Berlin last September. He noted that all the members of the delegation took an active part in the plenary sessions, as well as in the work of the individual commissions that dealt with some of the most burning issues of the present-day: questions of peace and disarmament, economic and social problems, and trade union rights.

In their addresses they explained the Czechoslovak standpoints on these questions. Viliam Kozik also said the Czechoslovak delegation used the session of the trade union congress also for bilateral talks that contributed toward deepening the work with trade union organizations of the individual countries.

INDRA RECEIVES VISITING GDR OFFICIALS 26 JAN

LD262105 Prague Domestic Service in Czech 1500 GMT 26 Jan 87

[Text] Alois Indra, CPCZ Central Committee Presidium member and chairman of the Federal Assembly, received today Gerald Goetting, deputy chairman of the GDR Council of State and chairman of the Christian Democratic Union [CDU] of Germany, and Wolfgang Heyl, CDU deputy chairman, who are visiting Prague at the invitation of the CPCZ Central Committee. During their cordial conversation, they discussed the development of the international situation and further deepening the fraternal cooperation between the two countries.

UK 'SPY' IN CYPRUS TRACK LOCAL COMMUNICATIONS

LD292111 Prague Domestic Service in Slovak 1900 GMT 29 Jan 87

[Text] British military bases in Cyprus are also espionage centers serving NATO and the United States. Our correspondent Ladislav Sakal reports:

[Sakal] It is no secret that espionage equipment is installed at the British military bases in Cyprus. This was lately confirmed by the daily KIPRIS POSTASI, published in the Turkish-occupied northern part of the island. The daily says the British carry out espionage on a large scale, and it points out that the British Army's 9th Liaison Regiment, whose base is near Famagusta, can receive all information, including coded information. British spies can pick up all radio signals and telephone communications from Greece, Turkey, Syria, Iraq, Lebanon, Jordan, Egypt, and Libya. They also monitor communications of planes and ships with airports and ports. The article says that actually this is a U.S. radio-electronic espionage center transferred from Beirut to Cyprus. De facto, the United States and NATO misuse Cyprus for information chasing in this part of the world, says the daily.

HONECKER MEETS WITH GREEK CP DELEGATION

LD291009 East Berlin ADN International Service in German 1241 GMT 28 Jan 87

[Text] Berlin, 28 Jan (ADN) -- Erich Honecker, general secretary of the SED Central Committee, met Kharilaos Florakis, first secretary of the Communist Party of Greece [KKE] Central Committee, on Wednesday for a friendly talk.

The two parties paid tribute to the long years of fraternal relations between the SED and the KKE, which are developing on the firm foundation of Marxism-Leninism and proletarian internationalism. The close collaboration of the communist and workers parties and their exchanges of experience and opinions in a spirit of mutual trust and understanding is of increasing importance, particularly in the present tense world situation.

Both parties are in total agreement that in view of the danger of a nuclear war caused by the most aggressive circles of the United States and NATO, it is today a question of strengthening the efforts of all forces of peace, reasons, and realism to bring about a change toward disarmament and detente. A realistic path toward this is shown by the constructive peace proposals of the Soviet Union and of the socialist community for the reduction and elimination of nuclear weapons by the year 2000, the withdrawal of medium-range missiles from Europe, and conventional disarmament from the Atlantic to the Urals.

The summit meeting at Reykjavik vividly demonstrated to the nations that far-reaching disarmament steps are possible if all sides show the appropriate political willingness. The chance offered at Reykjavik to secure a peaceful future for mankind should not be sacrificed to the U.S. attempts at military superiority, and particularly to its Star Wars program.

Erich Honecker and Kharilaos Florakis stressed that it is now a question of strengthening the efforts of all forces for peace to arrest the spiral of the arms race and to improve the world situation.

The KKE Central Committee's first secretary expressed his esteem for the active policy of dialogue and for the development of relations of peaceful coexistence with which the GDR makes a significant contribution to detente and security in Europe. He welcomed the joint initiative of the SED and SPD for a nuclear-weapons-free corridor and a chemical-weapons-free zone in central Europe as an example of the cooperation of different political forces for the sake of peace and disarmament.

Kharilaos Florakis reported on the work of the Greek Communists in the interests of the working people and toward peace, national independence, and democracy. He gave information about the efforts of the KKE for a union of leftist and progressive forces for a change with the prospect of socialism.

Erich Honecker stressed that it is well known in the GDR that the fraternal Greek party has, by means of its selfless struggle against foreign oppression, fascism, and reaction, performed lasting services for the democratic development of its country and for the defense of national independence. The GDR Communists are happy that the KKE represents a strong national force that is firmly rooted in the people and achieves much for a broad-based peace [word indistinct] and for the development of friendly relations with countries of true socialism.

The SED Central Committee general secretary reported on the successful implementation of the decisions of the 11th SED Congress, directed as they are at the well-being of the people and at securing peace. The recent tense period resulting from the extreme conditions of the winter weather has shown that the workers of the GDR, in firm solidarity with the party of the working class, apply all their energy to strengthening socialism even further on German soil and thus to making peace even more secure. Kharilaos Florakis underlined that the Greek Communists follow the stable political and dynamic economic development of the GDR with the deepest respect, and they regard it as an important factor in augmenting true socialism.

Both the general secretary and the first secretary stated that the SED and KKE welcome the visible progress in relations between the GDR and Greece, which are of great importance for peace and detente and are in the interests of the two nations.

The parties to the talk paid tribute to the positive activities of Greece under the auspices of the six-nation initiative for peace and disarmament and to its support for a nuclear-weapons-free zone in the Balkans and for the expansion of mutually advantageous relations with socialist countries.

They expressed support for a just and lasting solution to the Cyprus issue and supported the convening of an internationally representative conference under the auspices of the United Nations. They also came out in favor of a nationally independent, nonaligned Cyprus without foreign troops or bases.

Both sides share the opinion that the normalization of relations between Greece and Turkey within the framework of the Helsinki Final Act and of international law and practice will be a contribution to peace and security in this region.

Erich Honecker and Kharilaos Florakis discussed specific steps to further deepen cooperation between the SED and the KKE. They stated with satisfaction that their exchange of opinions passed off in a trusting atmosphere and in a spirit of unanimity and of international solidarity.

Taking part in the meeting were: on the SED side, Hermann Axen, member of the Politburo and secretary of the SED Central Committee, and Guenter Sieber, member of the SED Central Committee and director of its International Relations Department; and on the KKE side, Orestis Kolozof, candidate member of the fraternal Greek party [Political Bureau], and Panayiotis Lafazanis, candidate member of the Central Committee.

Honecker Hosts Luncheon

LD300400 East Berlin ADN International Service in German 1346 GMT 28 Jan 87

[Excerpt] Berlin, 28 Jan 87 ADN -- Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, gave a luncheon in Berlin on Wednesday in honor of his guest, Kharilaos Florakis, first secretary of the KKE Central Committee.

At the friendly gathering in Niederschoenhausen Castle, attended by other members of the party and state leadership of the GDR, and by the comrades accompanying the guest, the two party leaders paid tribute to the fraternal relations between the SED and the KKE in the struggle for peace and social progress. [passage omitted]

FOREIGN MINISTER MEETS FRENCH ASSEMBLY PRESIDENT

LD291731 East Berlin ADN International Service in German 1346 GMT 29 Jan 87

[Excerpt] Paris, 29 Jan (ADN) -- At the start of a 2-day official visit to France today, GDR Foreign Minister Oskar Fischer met National Assembly President Jacques Chaban-Delmas for a cordial talk. The two politicians agreed that at present there is no sensible alternative to the policy of peaceful coexistence. Dialogue is the only path to disarmament.

With regard to this the parliaments have an important say, said the national assembly president. The parliamentarians could at the same time give important impetus to the development of bilateral relations. He spoke in favor of the national assembly exhausting all possibilities for the development of these useful and fruitful contacts.

Oskar Fischer stressed that it is a basic principle of GDR policy, in view of the tensions in the world and numerous international problems, to support dialogue and the search for a peaceful balance of interests. The two sides agreed that one must do everything to get to know one another better, to understand one another better and be able to coexist with one another better in the present-day world.

At midday the foreign minister had a friendly meeting with Professor Georges Castellan, president of the France-GNR Association and other members of the presidium of the friendship society. Oskar Fischer praised the decades of work of the society for the development of relations between France and the GDR, which do justice to joint historical experiences and responsibility of the peoples of Europe. [passage omitted]

TRADE PROTOCOL WITH NETHERLANDS SIGNED IN BERLIN

LD212252 East Berlin ADN International Service in German 1656 GMT 21 Jan 87

[Text] Berlin, 21 Jan (ADN) -- At the end of the ninth sessjon of the joint GDR/Netherlands government commission in Berlin on Wednesday, a protocol was signed. The delegations were headed by the general director of the GDR Foreign Trade Ministry, Dr Klaus Apel, and the director of the Foreign Trade Department of the Netherlands Ministry of Economic Affairs, Jaap Th. C. Mol.

Both sides gave a positive assessment of the development of trade relations since the eighth session of the joint government commission in 1984, and agreed on measures for its expansion. To this end, discussions were held on the possibilities of economic, industrial, and technological cooperation between foreign trade enterprises of the GDR and Netherlands companies, including joint operations in third countries.

It was agreed that the GDR will hold technological exhibitions in the Netherlands in 1988. Netherlands companies will do more to show the nature of their production and output in the GDR, for example, during the Leipzig Fairs.

During his stay in Berlin, Jaap Th. C. Mol was received by Deputy Foreign Trade Minister Christian Meyer for a talk.

MAGYAR HIRLAP CALLS CPSU DECISIONS ENCOURAGING

LD300950 Budapest MTI in English 0855 GMT 30 Jan 87

[Text] Budapest, January 30 (MTI) -- The recent session of the Central Committee of the Communist Party of the Soviet Union was an epoch-making event in the life of Soviet society, reads a commentary in Friday MAGYAR HIRLAP.

The commentator points out, "The recent Central Committee session will probably introduce a new key-word to the life of Soviet society and the CPSU: democratization, the development of socialist democracy amid the conditions of transformation. This implies many things, for instance perfection of the election system, nomination of more than one candidate at electoral meetings, eligibility of economic managers, election of the secretaries of party organizations, regional and republican leading party bodies by secret ballot and more effective public control.

"Over the past two years the management of the CPSU and the Soviet Government has been renewed in an exceedingly short period. The session took a definite stand against the former practice when no provisions were made for a long time to ensure the renewal of the Central Committee and the government, which left its mark both on policy-making and practical work, and not in a positive sense.

"Mikhail Gorbachev openly spoke about the errors and distorted attitudes which affected political, economic and cultural life, as well as the mass media in times past. At the same time, summing up what has been achieved so far during the dynamic renewal process, he dwelt upon the novel moral atmosphere and order of values which are becoming more and more apparent in the country. He mentioned among the achievements a higher degree of sincerity, strict approach to errors, increasing demand, higher organization and discipline, but he also added that for the time being the Soviet Union is still at the initial stage of transformation.

"The world follows with attention the renewal process which is taking place in the Soviet Union, gaining new and new elements. No doubt, the decisions passed at the recent forum mean further progress in the transformation under way for two years now. This will certainly encourage those who proceed on similar course and have a sincere wish to make fuller use of the possibilities hidden in a socialist society," reads the commentary in MAGYAR HIRLAP.

HAVASI TERMS VISIT TO JAPAN, PRC, 'SUCCESSFUL'

LD292153 Budapest MTI in English 2030 GMT 29 Jan 87

[Excerpts] Budapest, January 29 (MTI) -- Ferenc Havasi, member of the Political Committee of the Hungarian Socialist Workers' Party, secretary of the Central Committee, who visited China and Japan in the past two weeks returned to Budapest Thursday afternoon. He was accompanied by beza Kotai, member of the Central Committee of the HSWP, head of the Foreign Relations Department of the Central Committee. [passage omitted]

Ferenc Havasi met with Prime Minister Nakasone, and passed on a letter written to him by Janos Kadar, general secretary of the HSWP. [passage omitted]

On his arrival at Budapest's Ferihegy Airport Ferenc Havasi, speaking to MTI's correspondent, qualified his visits to China and Japan and the bilateral talks as successful.

He stated that he had visited China on invitation of the Central Committee of the Communist Party of China, as a further means of expressing that bilateral party relations haved been restored. Years of conscious and continuous preparatory work, as well as a series of negotiations by Chinese political figures and other experts in Hungary preceded the trip, which can be considered an event concluding the consolidation of bilateral relations, and opening a new chapter in cooperation. At the talks an identical opinion was reached in that in Hungarian-Chinese trade and economic relations there are no political problems operating to the detriment of cooperation. There is also a mutual interest in issues related to development of the system of economic management. During the course of negotiations, the commissioned general secretary of the Central Committee of the Communist Party of China expressed the fact that personnel changes in party leadership do not affect the essential elements in China's policy, the main trend operating in international relations and internal reform aspirations.

Then Ferenc Havasi said that relations with Japan are traditional and stable. At the talks it was concluded that there are opportunities in both inter-state and economic cooperation that can be tapped. Japan is a good trading partner, and Japanese financial circles have a favorable opinion of Hungary, considering it to be a worthwhile and reliable partner. In many areas conditions are favourable for further improving reciprocally advanteous bilateral cooperation. A contribution to this can be made, Ferenc Havasi added, by the current highest level inivitation to visit Hungary presented to Prime Minister Nakasone.

SPOKESMAN GIVES BRIEFING ON GOVERNMENT MEETING

LD292104 Budapest MTI in English 1835 GMT 29 Jan 87

[Text] Budapest, January 29 (MTI) -- The Hungarian Council of Ministers held a session on Thursday. According to a briefing given by Government Spokesman Rezso Banyasz, the session debated the draft land act, which it resolved to present to parliament.

The government approved the principle of the draft acts on the legal policy behind legislation and on traffic on the public roads. Then it approved by notation the report of the Central People's Control Commission on experience gained from conducting a study of the leasing and long term-transfer of agricultural lands for cultivation.

The government spokesman replied to journalists' question. He stated that the first surveys on damage caused so far by the severe winter had been prepared and studied by the Government Commission on Economic Supervision. According to the report this year the maintenance of transport cost 135 million forints more than is usual for the winter, which included the costs of freeing roads to 1200 settlements. Estimates are that damage to the roads may be as high as 2,000-3,000 million forints. As far as rail transport is concerned, the volume of domestic deliveries was 50 per cent down on the weeks preceeding the snow, while that of export deliveries was 40 per cent, with imports at 70 per cent and transport shipments at 60 per cent of the level.

Losses in metallurgy reached 550 million forints, while similar losses came to 900 million in the engineering industry, 500 million in the chemical industry and 850-900 million in light industry. 12 to 15 per cent of the production loss involves export. In the chemical industry the ratio is higher, with 40-60 per cent in parts. In agriculture, damage to autumn sowing is incomparably lower than the favourable effect of the snow covering the land. In the food industry, however, the surplus costs are up to 65 million forints, while the loss stemming from drop-out in production is 415 million. In the building and building materials industry direct damage and surplus costs are estimated at 33 million forints, while the drop-out in production resulted in a loss of almost 650 million forints.

Then, still replying to questions, the spokesman discussed the fact that there is a significant interest concerning opportunities for foreigners and Hungarians living abroad to purchase property in Hungary. According to currently valid regulations, foreigners may only purchase property if they have permits to settle in, or to return to Hungary permanently. Seeing the growth in interest the government has already raised the idea of updating the regulations, Rezco Banyasz stressed, and added that the final word rests with the Presidential Council. The opinion of the government is that in general economic interest have not changed sufficiently to justify significantly extending opportuntities for foreigners to purchase property, but the fact must be considered that there is deep interest in maintaining an increasing close relationship with Hungarians residing abroad.

The government wishes to facilitate opportunities for foreigners to make long term use of property in Hungary without them becoming owners of the property. Leasing is close to ownership regarding rights and gives the leasee more legal security. The government has made a proposal to the Presdiential Council of the Hungarian People's Republic to handle the issue in this spirit.

One question concerned Rezso Banyasz's recent visit to Egypt. The spokesman said that relations between the two countries are traditionally good. In recent years relations have developed significantly, and there are opportunities for substantially expanding trade and economic relations. As far as Egypt is concerned, there is interest in Hungarian engineering industry and vehicle industry products, while there are also opportunities to expand political, cultural and scientific cooperation.

As far as relations in the information sphere are concerned, the spokesman reported that information in the Egyptian press concerning Hungary, and its home and foreign policy endeavours have become more balanced. Currently cooperation can be expanded in television programme exchanges, and as shown in talks with Tamas Palos, editor in chief of the MTI Hungarian news agency with the MENA Egyptian news agency, in advancing ties between the two news agencies.

INDUSTRY MINISTER KAPOLYI ADDRESSES MINERS

LD282253 Budapest MTI in English 1628 GMT 28 Jan 87

[Text] Budapest, January 38 (MTI) -- Workers of the Tatabanya coal mines discussed production in 1986, and the tasks for this year. The meeting was attended by Minister of Industry Laszlo Kapolyi. Tatabanya Coal Mines Director-General Lajos Fekete said that the drop in coal production and a greater than planned increase in costs had placed company management in a difficult position. The counter measures passed could not prevent the company from closing the year with losses and fund loss. As the company cannot count on the state settling losses, it is making every effort to reduce them and establish conditions of economic work. As a result, more production means are to be sold, an several open-cut mines transformed into joint ventures and coporations, with partners willing to undertaken them. Further the quality of coal will be improved, and the product pattern transformed with material and energy saving, and more rational manpower management. Coal production is to end this year in the last mine of the Tatabanya basin, and the 600 miners will be offered work according to their original posts, in two other shafts of the company.

In view if the losses, less was earmarked for social-welfare in 1987 than usual. The number of athletes and coaches on the staff of the company is to reduce by 25 per cent. Athletes who attain outstanding results are to remain.

MSZMP SECRETARY BERECZ SPEAKS TO METALWORKERS

LD262327 Budapest Domestic Service in Hungarian 1730 GMT 26 Jan 87

["Excerpts" of speech by Janos Berecz, secretary of the MSZMP Central Committee, to a workers' rally at the House of Culture of the Metalworkers of Salgotarjan on 26 January -- recorded]

[Text] Now, in January, which is the time for preparing the plan, we Hungarian Communists, as a party, turn to the workers partly so they will understand us, partly so they will support us, and partly so we can make joint efforts to fulfill the tasks. It is very important from the point of view of our social life and, I add here, the development of production that we should pay greater attention to the application, obedience and maintenance of norms. They call us justifiably to account for our having some time ago drawn such a picture of socialism in which is is equality that is being perfected. Now we are saying that there is a need for differentiation. In general people can accept the need for differentiation if there is output behind it, but they can accept differentiation less if what is at issue is the redistribution of the national income, its secondary redistribution, for example, in the commercial chain. I would say, however, that it is not only a question of adminstration. We must also think of differentiation. We must apply it as a means of recognition of output produced in the interest of socialism.

Many words have been uttered in regard to legality. When speaking about legality everybody first thinks of law and the police. The legal system's duty is to provide a backbone for legality, and to determine its limits, but in itself it is not able to regulate everything. To fully adhere to legality there is a need for social courage. We are already able to express our opinion. We can already ask questions in a demanding manner, but the collectives, for the most part, are still closing their eyes and saying things like: This is a case of abuse in which it is not certain that the truth lies in this way or that, or I don't know, or What will happen to me? I will be persecuted, and so on. Are we not stronger than this? There is no question that we are stronger than that. However, if that is the case we should not grimace in bitterness or smile cynically if one of our work associates is harmed because he dared to take a stand: We should line up behind him in that case.

I am not able to undertake drawing a picture of the public mood of Hungarian society or to make a value judgement about it because it is different according to the circumstances under which it is formed. What I can accept is that there is anxiety in the people of this country. I can accept this primarily because we have things to be anxious about. This country has, over the past 30 years, become more beautiful, more prosperous, and stronger. It can be proud of its achievements, and if there is anxiety regarding these, then I can accept this. They worry because they have achieved a certain standard of living, and if we start sliding backward then the anxiety is justified. Anxiety has been born also because in the past years we have been speaking openly. We even said that although we expected and planned for an enlivening at the 13th MSZMP Congress, in the subsequent 2 years that enlivening did not take place.

However, there are those worriers who are of little faith. They raise uncertainty, and it is from uncertainty doubt springs, followed by despair. A despairing nation is unable to act, a nation that is unable to act is unable to help itself. [paragraph continues]

Here if we proudly proclaim being Hungarians who are building socialism, then we must look at ourselves with this Hungarian responsibility and stop having little faith. We have undertaken responsibility for ourselves, for the country and society. Given that, we must now carry this responsibility forward to the course of decisions.

I know that everyday consciousness is not born by itself. It depends on the kind of trust placed in the party and concretely on the kind of work carried out by the individual party organizations. It depends on the kind of trust placed in the administration and -- thinking even of the lowest rung working group of the local council -- on the activity carried out by all organs of th administration. It also depends to an extraordinary extent on the kind of information policy we have and on its practice. I hold with esteem and honor those working in the fields. They do not have easy work. To appear daily, believe me, is at least as much of a responsibility as one's work being checked, concretely on a piece of work, by a quality control inspector. They can help a great deal but with one mistake, with one wrong question, with one wrong example they can cause harm. They do not cause harm consciously in such a case, but if they write only a fragment of the truth rather than the whole truth, then credibility suffers a bit and people begin to doubt. Then they ask what the person wants. I have told you this only so that you will feel that we know that to work in front of the public is a very great responsibility.

BRIEFS

FRIENDSHIP PACT WITH USSR -- The Patriotic People's Front and the Union of Soviet Friendship Societies have signed their cooperation agreement for this year. In accordance with the document, both sides consider the strengthening of Hungarian-Soviet friendship and cooperation to be a primary task in the future, too. [Text] [Budapest Domestic Service in Hungarian 1730 GMT 29 Jan 87 LD]

DELEGATION VISITS MOSCOW -- Budapest, January 29 (MTI) -- A Hungarian judicial delegation, led by Dr Gyula Borics, state secretary of justice, returned to Budapest from Moscow Thursday. A delegation held consultations on legal issues of cooperation between the CMEA member states. [Text] [Budapest MTI in English 1444 GMT 29 Jan 87 LD]

GREEK TRADE COOPERATION -- Budapest, January 28 (MTI) -- An agenda on theoretical and perspective issues of Hungarian-Greek technological and scientific cooperation was signed by Vaso Papandreou, Greek minister of industry, technology and research, on conclusion of her talks in Hungary at the head of a delegation, on invitation of Laszlo Kapolyi, Hungarian minister of industry, and Andras Korcsog, state secretary, secretary of the Science Policy Commission of the Council of Ministers. Also signed was the intergovernmental working plan for scientific and technological cooperation for the period of 1987 and 1988, which was worked out by the Hungarian-Greek technological and scientific mixed committee that also met in Budapest this week. Vaso Papandreou also delivered a paper at the Hungarian Academy of Sciences on Greek industry, and the tasks of technological development, which was followed with keen attention. The agreements cover cooperation in the areas of agriculture, the food industry, bio-technology, industrial technology, applied physics, geology and medicine. Scientific symposia are to be organized and there is to be an exchange of scholoarship students for shorter or longer study trips. [Text] [Budapest MTI in English 1957 GMT 28 Jan 87 LD]

NEW ENVOY TO SWITZERLAND -- Dr Imre Komives, Hungary's new ambassador in Switzerland, presented his credentials to Pierre Aubert, president of the Swiss Confederation, on 22 January. [Text] [Budapest NEPSZABADSAG in Hungarian 24 Jan 87 p 21 AU]

WHITEHEAD BEGINS WORKING VISIT TO WARSAW

Meets Orzechowski

LD291320 Warsaw PAP in English 0945 GMT 29 Jan 87

[Text] Warsaw, Jan 29 -- Visiting U.S. Deputy Secretary of State John C. Whitehead and Polish Foreign Minister Marian Orzechowski are chairing Polish-American plenary talks which started at the Ministry of Foreign Affairs here today.

Meets Jaruzelski

AU291953 Paris AFP in English 1930 GMT 29 Jan 87

[Text] Warsaw, Jan 19 (AFP) -- A five-year-old freeze on senior diplomatic exchanges with Poland thawed here on Thursday when U.S. Deputy Secretary of State John Whitehead met for three hours with Polish leader General Wocjiech Jaruzelski on topics that included human rights in Poland.

Meanwhile, Lech Walesa, former head of the outlawed Polish trade union, Solidarity, arrived here Thursday night at the head of a 15-member delegation of opposition leaders for talks with Mr. Whitehead scheduled for Friday.

It was reported earlier that Mr. Walesa had been refused a 48-hour leave from his job at the Gdansk shipyards to attend the meeting.

The Walesa-Whitehead meeting, scheduled at the U.S. Embassy here Friday evening, will deal with, among other topics, the lifting of U.S. economic sanctions against Poland. Mr. Walesa and other opposition leaders have already asked that the sanctions be lifted in the interests of Poland's national recovery. That request, last October, followed by one month Warsaw's declaration of amnesty for political prisoners.

Mr. Whitehead called his meeting with Mr. Jaruzelski "frank and constructive," but declined to give details, saying, "I'll be making a report on my visit to the secretary of state."

"We are moving gradually and slowly, I think in positive directions," he said.

He said he and aides had posed to Mr. Jaruzelski "a number of questions about the status of human rights here. We have got complete answers."

Two sanctions remain of those imposed by the U.S. following the declaration of martial law here in December 1981: a cut-off of economic credits, and of Poland's most-favored-nation status.

MESSNER ADDRESSES SEJM SESSION IN WARSAW

LD281614 Warsaw Domestic Service in Polish 0905 GMT 28 Jan 87

[Report by Zbigniew Messner, chairman of the Council of Ministers, at the Sejm Session in Warsaw -- live]

[Text] Citizen Marshal, may it please the house: Six months ago at a joint meeting with the government presidium the Sejm Presidium submitted an initiative on presenting annually a Council of Ministers' report on the results of the past year and plans for the coming year. The government deems the initiative valuable and useful. I hope that the approval by you, citizen deputies, will confirm the rightness of plans, and that remarks and conclusions will become an important contribution in their final shape.

The adoption of the national socioeconomic plan until 1990 at the December session and earlier discussions on the premises of the central annual plan allow me to focus attention on selected main targets. They arise from the 10th PZPR Congress resolution and from decisions by the 3d plenum of the PZPR Central Committee. They are also in accordance with the decisions of the allied parties. However, I would like to begin with thanking the house and the Citizen Marshal personally for your cooperation in resolving the problems in the difficult, but basically successful year, 1986. Numerous opinions, conclusions and deputies' motions have contributed significantly to the implementation of the outlined tasks. They also allow the directions of development of the outlined tasks. They also allow the directions of development for the next few years and the more distant future to be outlined.

May it please the house: In 1986 Poland acted for peace and international detente with increased activity. We took part in formulating peace and disarmament initiatives by the Warsaw Pact member-states, including those in the Budapest Appeal. These actions contributed to the successful conclusion of the first stage of the Stockholm Conference on Confidence-Building Measures, Security, and Disarmament in Europe. It was the first significant step for some time in East-West relations. At the CSCE Conference in Vienna we submitted on behalf of the socialist states a proposal aimed at initiating a real reduction of armed forces and conventional armaments on our continent. We are taking steps for a Warsaw meeting of CSCE representatives on the 50th anniversary of the outbreak of World War II. We presented a proposal on a symposium to be held in Krakow and devoted to the issues of protecting and developing cultural heritage. This year, we will continue the actions in aid of peace and detente with unflagging energy.

The growth of Poland's international position has its origin in the improvement of the economy and the developing socio-political normalization. The well-known truth has been confirmed, that the state's authority may be built solely on the basis of a stable internal situation, strengthened by lasting alliances. Poland made a significant contribution to the Moscow meeting of leaders of fraternal parties and states of CEMA members. This outlined the direction of fundamental reconstruction, of the system of socialist economic integration, including the reorganization of the CEMA structures. We are one of the main initiators of these transformations.

We aim to take maximum advantage of qualitatively new changes emerging in this sphere, to extend direct ties between enterprises and research centers, to improve the economic mechanisms of cooperation, to strive for cooperation and specialization in production.

This will aid the development of trade with socialist countries, which I announced in my report in November 1985. It already constitutes two-thirds of our total trade turnover.

The directions for the expansion of Polish-Soviet cooperation were outlined during Wojciech Jaruzelski's visit to Moscow and Mikhail Gorbachev's visit to Warsaw, and were defined during my visit to the USSR and the visit to Poland by Nikolay Ryzhkov, chairman of the USSR Council of Ministers. The creation of 12 joint enterprises, direct cooperation between 146 economic and 95 research and development units and joint investment project undertakings was begun. The Soviet side is taking part in the construction and development of 11 industrial establishments in Poland. Negotiations for the participation of Polish enterprises in the management of the Yamburg natural gas deposits and the construction of a gas pipeline have ended. Direct contacts between scientific and cultural centers and higher schools are developing.

The government is seeking further possibilities for the expansion of relations with the Soviet Union. At the same time, we are avoiding ostentatiousness, the ceremonial nature of contacts and placing emphasis above all on their effectiveness and mutual advantages. Similar tendencies are being manifested in cooperation with other European socialist states, although such far-advanced results have not been achieved in all spheres.

Among achievements of official visits and meetings there have been not only joint political declarations but also specific integration undertakings. We do not avoid difficult matters such as environmental protection. While clearly revealing our reasons we resolve these matters in a friendly and partnerlike way through matter-of-fact talks.

I would like to note with satisfaction an invigoration of cooperation with socialist countries outside Europe. The visit to the Far East by Comrade Wojciech Jaruzelski was an important impulse. There was a successful outcome to the visits to Mongolia and the DPRK. The visit to the PRC was an important step toward rebuilding political contacts and consolidating and developing mutually beneficial economic cooperation.

There has been a favorable development of our political relations with developing countries, with India in particular, whose president paid a visit to Poland last year, and also with the states of the Middle East, Africa, Latin America, and Southeast Asia.

Our links with the Nonaligned Movement states have been strengthened, but trade turnover with these states has decreased. We will seek opportunities for an increase in trade and for more flexible forms of economic scientific and cultural contacts while having better knowledge of the needs and capabilities of particular partners.

There follows a positive evolution of relations with many Western states. Political dialogue and economic cooperation have been expanding gradually. A favorable climate for these processes has been created by numerous contacts by representatives of the Sejm, the PRON and trade unions. At the same time, we resolutely reject all attempts to link the progress in mutual relations with meeting conditions concerning internal affairs of our country. For obvious reasons, we have focused attention on those areas where political realism is accompanied by economic, scientific, and technological cooperation. The recent Polish-Italian and Polish-Japanese meetings at the highest level confirm this trend.

Meetings of ministers and contacts at different working levels would be conducive to this trend. Our relations with the FRG have deveoped more extensively and with mutual benefit. Their scope always goes beyond the bilateral framework and constitutes an important element of East-West relations, in central Europe in particular.

They are not, however, favored by divergences from the letter and spirit of the treaty on the bases of the normalization of relations, renewed attempts to question the European order, and the seeking of a mythical German minority where it does not exist. In relations with France, we count on attaining progress despite the differences which have arisen in recent years, lately deepened by the ambiguous attitude with regard to the question of the territorial and political stabilization of Europe.

Political contacts with the United States were renewed at the end of last year. They were not, however, accompanied by the lifting of basic restrictions limiting cooperation. The future will show whether Washington has undertaken a process of authentically revising values in its policy toward Poland. We have, many times, stressed our readiness to restore bilateral relations on the appropriate scale. We stress this again. Their basis must, however, be principles of mutual benefit and noninterference in the internal affairs of the other side.

In contacts with the capitalist countries, we seek the full normalization of financial and credit relations, the development of trade exchange without restrictions and limitations. We also seek economic ties of a more permanent character, for instance in the form of joint stock companies or cooperation agreements. Last year, the possibilities of forming mixed enterprises with the participation of foreign capital were statutorily guaranteed. With the mediation of the Polish Foreign Trade Chamber, over 100 of our enterprises have already undertaken concrete efforts toward undertaking this type of cooperation. Sixty of them are conducting concrete negotiations with foreign firms. The first company with the participation of Austrian and U.S. capital is working on the completion of the downtown air terminal in Warsaw. Another example of similar ties is the building of hotels by an Austrian firm on the principle of [word indistinct]. The government sees, in the development of such forms of cooperation, the modernization of production and enrichment of the offer of goods for export.

One of the most difficult problems continues to be the indebtedness of our economy. The servicing of the debt consumes significant resources and limits import possibilities. It is a weighty component of inflationary processes. At the end of last year, the debt attained -- mainly because of changes in exchange rates independent of us -- a level around $33 billion. We are actively seeking a solution to this problem. Poland has become a member of the IMF and the World Bank for Reconstruction and Development. We are continuing talks with our creditors on the subject of rescheduling part of our debt.

Achieving results satisfactory to both sides would have been an important stabilizing factor for our financial and credit relations, and would have been conducive to the developing exports and to promptly servicing the debts, and would bring nearer the possibilities for comprehensive solutions. Initial talks have begun on establishing official relations between Poland and the EEC. They are proceeding together with the negotiations on relations between the CEMA and the EEC and should bring results conducive to developing European cooperation. Our foreign policy actions will be accompanied by the more and more extensive promotion of Polish culture, art, and the achievments of our creators, supported by active information and propaganda work. Without that it is difficult to talk about Poland's presence in the world. We attach considerable importance to tourist exchange.

We will also expand versatile contacts with Polonia abroad. The execution of the outlined tasks relies, to a great extent, on diplomatic and trade services. At a December meeting of leading cadres of the services, the decisions were made, pointing to the need for closer links between political and economic actions, and directing them toward strategic goals of the country's development. We expect that the decisions will bring visible effects already in the current year.

May it please the house: The economic results of 1986 are generally favorable. Most of the planned tasks were fulfilled and in many cases surpassed. According to preliminary estimates by the Main Statistical Office there was a growth in national income by about 5 percent last year. The growth trend was higher than planned and higher than in 1985. The result is more valuable as almost the entire growth in national income generated was due to the increase of social labor productivity. The results achieved in industrial production were better than planned. It increased by 4.4 percent, and the use of basic materials and energy was lower than planned. This above-plan growth in production constitutes one of reasons for strains in the current supplies of enterprises. For the first time in the history of our agriculture, the yield of the four basic crops surpassed the level of 30 quintals per hectare. The plan for procurement of animals for slaughter was considerably surpassed.

In general, agricultural production results are ahead of the tasks contained in the program for the development of agriculture and food economy adopted by the Sejm. The correctness of the agricultural policy determined at the joint plenary session of the PZPR Central Committee and the United Peasant Party Supreme Committee in 1983 is being confirmed. The growth in agricultural production has contributed to strengthening the food market. Deliveries of noncomestible goods have also increased. The total value of retail sales was up about 5 percent at constant prices.

Last year deliveries of goods for export grew by more than 4 percent, with an increasing contribution from electrical and engineering products and agricultural and food produce. We attained a positive, although lower than planned, balance in turnover with capitalist states. The excess of exports over imports in that payments zone was over $1 billion. In the turnover with the socialist countries we have noted, in accordance with our expectations, a negative balance half a billion rubles, above all, resulting from Soviet deliveries on credit.

Investment cycles became somewhat shorter. Purchases of machinery and equipment grew faster than construction and assembly work. However, the large number of active construction sites continues to persist, which is not conducive to the desired concentration of investment. In the socialized economy, over 9,000 fewer dwellings than planned were handed over. This especially applies to large urban conurbations. This is currently the weakest link in our economy.

The growth in retail prices was higher than planned and amounted to about 18 percent. The population's financial income grew even faster, by more than 20 percent. Relations between incomes and prices laid down in the plan were not, therefore, maintained. The envisaged degree of balancing in the market was not achieved. In order to limit the rate of price increases, especially on basic consumables, subsidies were increased by 46 percent, including those for food by 40 percent. This affected the level of the budget deficit, leading to an expansion of the redistributive function of the state budget, which is unfavorable for economic reform.

Taking into account the results of 1986, we do have cause for moderate satisfaction, although threatening aspects and serious problems which remain to be solved are also apparent. It is necessary to overcome these urgently and to concentrate activity on sore points and sectors, or, to put it briefly, to rationalize the economy.

May it please the house: It was adopted in the plan and the budget law for 1987 that the speeding up of this process should begin with putting the financial economy in order. This consists, first of all, in cutting subsidies in real terms, in appropriate changes of the level and relations between delivery and retail prices, and in the pro-efficiency orientation of the financial system.

The whole process can be summarized in the balancing of the state budget for the current year, for the first time in 6 years. This task will be very difficult to implement. It requires the unreserved reduction in the costs of enterprises, not surpassing the planned indicator for wage increases, and the full implementation of changes in delivery and retail prices in a short timespan. Not meeting at least one of these conditions will weaken the pace of tidying up the economy.

A balanced budget is not the goal itself. Its achievement, however, is conducive to applying economic pressure, and this is indispensable for releasing entrepreneurial spirit of economic units. The condition for a healthy economy lies in financially sound and economically strong enterprises; we shall therefore support the most effective. The implementation of this principle leads to a reduction in the future taxation burden.

In regard to inefficiency, the law on bankruptcy will be used more strictly. After all, there are complaints that concern not a lack of production capabilities, but the serious curtailment of supplies. With a slightly higher quantity of raw and other materials, we have to make more and better goods. It is worth repeating: Raw and other materials, credits, and reduced rates should apply to good enterprises and go for effective undertakings. The limited scope of tax relief not included in the system should go together with the wider opening of state coffers for undertaking connected with the improvement of goods quality, increase of exports and savings of raw and other materials.

The credit policy goes in the same direction. The adopted financing principles will contribute to the extension of the time for decisionmaking in the enterprises and will have positive effects in respect of money and rationalization of spending. These actions, arising from the resolution of the Third PZPR Central Committee Plenum, will be implemented by the government with full consistency. They are supported by the Commission for Economic Reform and economic circles.

In the first half of the year, the government entrusted the commission to work out long-term assumptions for the implementation of the second stage of economic reform. One of the more important from the social point of view is the level and structure of prices. The price system in existence is not correct. Current prices do not shape a proper system of supply and demand. As a result, they do not have a strong enough influence upon the necessary and, under our conditions, urgent decrease in the use of raw materials, materials, and energy. In recent years, changes in producer prices were implemented in accordance with intentions.

However, marked deviations as to the scope and scale of increases in retail prices arose. The understandable social sensitivity in regard to all price movements held the government back from consistent adherance to the requirements of the economy. That was also the case in 1986. Delays in implementing the program of changes in retail prices caused the speedy, above-plan growth of subsidies for goods and services acquired by the population, to around 220 billion zlotys, exceeding the amount established in the 1986 budget law by over 24 percent.

The implementation of retail price increases adopted in the central yearly plan, (?will bring us) somewhat closer to achieving the desired aims of our fiscal policy. It leads to the restriction of subsidies and at the same time takes into account important social rights, which demand caution in the operation of prices. It enables the shaping of the desired changes in the structure of demand and leads to variation in the price of goods, adapting them to the varied financial possibilities of individual domestic economies. Above all, the prices of the most highly subsidized goods and services will rise. The scale of increases for individual goods will be varied. Some will not become dearer at all. It is planned that in 1987, food will become costlier, on average, by around 13 percent. The price of meat and its products will rise to the same degree, which will have important significance for family budgets. Before making final decisions, information about proposals for price changes will be presented to the OPZZ. At the same time, making use of instruments envisaged by the plan, the government will ensure adherance to the regulations in force in regard to the establishment of agreed prices. It will also counter the unjustified rise in costs and prices. Supreme Chamber of Control inspections and other inspection bodies point to this problem as being relevant in shaping a proper economy.

Increases in retail prices will cause a rise in the cost of living. In this connection, conditions will be created to balancing this by an appropriate increase in the population's income. To those employed in the socialized economy, the balancing of the cost of living will be achieved through wage increases. While keeping to the planned level of real wages, it will be possible to differentiate individual incomes. The degree should be decided in workshops. The wages must depend on professional activity, productivity and quality, and the amount of socially useful work. These issues will be solved in the enterprises in accordance with powers arising from the principle of independence and self-financing.

The annual central plan envisages the exclusion of a sum relevant to the effect of food price increases from taxation burden on remunerations exceeding norms. I have to emphasize, however, that the efficient and disciplined wage increase is a condition for keeping a price increase indicator within planned limits. Last year and in previous years there was no considerable progress in this sphere. In the vast majority of enterprises, the linkage of wages with labor productivity was more in the sphere of declarations than the practice of economic life.

Striving for balance in the internal market is but one premise in sharp disciplinary solutions applied at present. First of all, they find expression in the shape of high taxation on wage funds exceeding 12 percent. At the same time, I am aware that the introduction of radical mechanisms on wages can delay the improvement of wage relations in the material sphere, and even in some cases, can have an antimotivational effect. One has to recall, however, that there exist system solutions prompting the savings of raw and other materials, the implementation of scientific and technological progress, and the development of export production.

Enterprises taking such actions and having better personnel management have the possibility of ensuring higher wages for their employees without a taxation burden.

In the cases of those who cannot obtain resources for covering the increased cost of living through work, the policy of social protection will apply. The present Sejm session will examine government proposals concerning speeding up revalorization old age and disability pension provisions.

The approval of these solutions will signify an improvement in the material situation of old age pensioners and annuitants, the so-called old portfolio. We will introduce in successive stages a social benefit which will ensure permanent benefits to persons permanently handicapped from birth. We intend to raise family allowances and supplementary payments for sick children, and also nursing allowances. Expenditure on matters connected with social protection, along with the revalorization of annuities and pensions, will amount to around Z270 billion annually. An increase in the income of the rural population should ensure an intensification in profitable production. The conditions for this are created in accordance with the principles defined earlier and confirmed recently in a joint meeting of the government and ZSL Supreme Committee Presidiums. Appropriate decisions will be made before the start of the new economic year in agriculture. Decisions have also been prepared concerning the valorization of pensions and annuities [word indistinct].

May it please the house: Taking into account the substantial use of manufacturing potential and also new developmental needs, we are gradually increasing the participation of accumulation in the national income. Most expenditure will be directed to production. There are various examples of this. In the electrical and chemical engineering industries, expenditure will be designated mainly for the regeneration and modernization of fixed assets; in the agricultural, raw materials for reducing losses and for improving food supply to the population. Within industries supplying the food economy expenditure will be concentrated upon the modernization and development of the mineral fertilizer industry, on means of protecting plants, and on the production of new machines adapted to the requirements of agricultural science. In the fuel and power industry it is especially important to maintain the present level of hard coal extraction and to ensure the imperative growth of electric power.

The scale of investment will not prevent the erosion of fixed assets in certain branches and sectors. This is the conscious choice of the economic concentration of resources aimed at the development and modernization of spheres crucial for the modernization of the whole economy. We will also be exerting influence for an increase in the allocation of funds for machines and equipment and for growth in modernization and regeneration investments. The application of economic instruments such as investment sureties, aimed at putting a brake on building investment projects, or of reduction and exemptions from amortization payments to the budget, encouraging modernization, is aimed in this direction.

For the modernization of the economy we are making wider use of various cooperative, licensing, and other measures undertaken jointly with foreign partners. For example, in the motor vehicle industry we have started cooperation with the Soviet Union in the manufacture of a delivery van. Negotiations are in progress regarding the modernization of car manufacture.

We are also starting other work to promote exports. The Exports Development Bank has been set up for this purpose. The sale of shares currently under way will make it possible to expand the bank's financial operations.

The promotion of exports is also served by the system of hard currency allowances which are left at the enterprises' disposal. In consideration of experience arising from the operation of this system so far, their accounts have been turned into assets accounts. This increases their freedom of operation and includes the right to resell. We are hoping that the adopted solutions will encourage enterprises to embark upon and increase export production and, at the same time, will increase the effectiveness of this form of hard currency provision for production. At the same time, however, in order to ensure account liquidity it was necessary to reduce the allowance rates by one-fifth, as we decided, and then in accordance with proposals from enterprises, that it is most important to be sure of being able to control hard currency resources.

Striving to increase the profitability of exports, we will conduct an active exchange rate policy. In 1987 the system of transaction prices should apply to all turnover with the capitalist states. We are thus bringing domestic prices closer to the world prices. At the same time we have to intensify efficiency-promoting structural changes. The difficulties in this sphere arise mainly from a shortage of investment resources.

Another impediment is presented by insufficient innovation in enterprises, and by the continuing production of obsolete and economically inefficient products. In connection with this, in the first 6 months the government will assess investment undertakings from the viewpoint of modernization of production processes and reduction in inefficient technologies and obsolete products. Soon we will also review problems of advanced electronics, robotization, and automation in the national economy. The conclusions will be used to accelerate the rate of development in these especially important spheres. Delays are also occurring in the implementation of the economic program.

This is indicated by material from the Supreme Chamber of Control [NIK]. This applies particularly to the implementation of investments creating economies. The government will carry out a comprehensive analysis and assessment of the delays that have occurred and will inform the chamber of the remedial measures taken. An integral party of the structural changes is scientific-technical advance. Since last year we have been introducing a new system of guiding the development of science and technical advances, based on central research and development programs, on the central fund for backing innovation, and on government orders. We have increased expenditure on the development of science and technology and on the introduction of new technologies. In 1986, this expenditure increased by 65 percent. This year it will increase by a further 30 percent. If there was criticism in the past of the insufficient stream of funds for this purpose, the situation has now undergone a change. The essence of the problem has become their rational use. We expect favorable results as the outcome of the creation of small innovatory enterprises, which receive special entitlements in the access to funds, and financial and tax concessions.

At the same time, in accordance with the decisions of the third plenum of the PZPR Central Committee, we intend to define the rules for the operation of scientific-production centers. An important, hitherto unappreciated direction of structural changes and improvement in management efficiency is the transfer -- to put it in professional language -- the reallocation of fixed assets and employment. This is all the more essential since, with a deficit in production figures, there are at the same time numerous cases of not fully using existing resources. Let's take the issue of employment. There is a constant increase in factories' requirements for new employees.

At the same time, labor productivity in Poland is a great deal lower than in the economically developed countries. This may confirm the assessment that the shortage of hands for work in Poland is, to a great extent, a deception. The matter is, however, complicated. It is influenced not just by shortcomings in the technical infrastructure of labor, but also by bad organization, unsatisfactory motivation, and as a result, unsatisfactory discipline. The situation is different in individual enterprises. Regardless therefore of the internal arrangement in the enterprises themselves, it is essential to reallocate the employees to units which work better and more productively. This is one of the reasons why the government attaches great importance to job verification and the review of organizational structures, which includes the administration, and which are being carried out on the initiative of the PZPR.

Another effective way of improving the situation can be -- and already is in many enterprises -- the development of group, and in particular, brigade forms of work organization. In the final phase of preparations there is the draft resolution of the Council of Ministers concerning organization and work norms, based partly on the results of job certification, which has been carried out as a pilot scheme in selected enterprises. Similarly, a significant problem is eliminating cases of what appear to be deficits in fixed assets. This is disquieting in view of the enormous investment pressures which have been revealed during the work on the national economic plan. Such pressures have their structural causes, but at the same time the possible use of capabilities available are still not being used.

It is, therefore, necessary to overcome the existing impasse and change the profile of production or move it to other enterprises which can use it properly. We estimate that there are considerable reserves of this type in shipping industry enterprises, light industry, housing elements production enterprises and many others. The consistent implementation of economic rules concerning the use of labor resources and fixed assets can cause temporary problems in some professions. Here I have in mind, for instance, the necessity to change one's place of work or qualifications. This should be treated as the essential cost of accelerating the modernization of the economy.

The issue of the rational use of land is similar in nature but economically different. There exists a strict dependence on economic production progress and the agrarian structure. In the first half of the year the government will examine proposals concerning land management and the use of agricultural land. However, priority will be given to investment outlays in the food economy, and to land drainage, provision of water to villages, provision of electricity, treatment of soil with fertilizers and biological progress, because these are the spheres which encourage productivity in agriculture.

These are the tasks which have been defined in the 5-year plan. For their successful implementation it is essential to have, apart from the consistent activity of the government, the activeness and initiative of farmers themselves and their self-government organizations. All economic problems which have been mentioned here and which have a long-term character, together with the proposed directions for solutions will find their expression in the long-term plan up to the year 2000.

Work on its assumptions has already begun.

Citizen deputies, the government shows great concern for the population's living conditions and material situation. Social opinions in these matters are the subject of constant investigation carried out by the appropriate government center. There are many shortcomings and many problems.

Last year, we found solutions to them, on the whole in accordance with the assumptions that I presented to the house in November 1985. The matter of housing construction remains the most pressing social problem. I have spoken on many occasions about this matter, presenting a program of long-term actions. We have not concealed the fact that the implementation of these actions is complex and that it will face a series of difficulties. Realism, justified by economic considerations, clashed with justified social expectations of a swift improvement. The results of last year show that in housing construction, it is essential to increase systemic and organizational changes. These are related, among other things, to the structure of building enterprises, the management of the productive capacity at voivodship level, a restructuring in the functioning of investment services, and other matters. The council for housing matters has discussed these problems in depth and has passed its proposals to the party and government commission dealing with the review and modernization of the organizational structures of the state and the economy.

The process of acquiring land for housing construction is proceeding in an unsatisfactory manner. Land is an economic factor. It must be paid for, both when one is buying it and when one is making use of it. A shortage of financial means is making itself painfully felt. The government, in as short a time as possible, will submit proposals on how to solve this problem. These actions, together with the draft amendment to the premises law which has been presented to the Sejm, and together with the arranged principles for crediting housing construction, will lead to an improvement in this situation.

We attach increasing importance to housing resources management, to making the communal, technical and social infrastructure more efficient, both in towns and in the countryside. Shortcomings in this infrastructure are more often than not brought about by carelessless and a casual approach to responsibilities. This was proved by the experiences of this last winter: Insufficiently heated homes, breakdowns in the water supply network, irregular public transport. These problems require that appropriate organizational and cadre conclusions should be drawn where these shortcomings occurred. Those who live in the towns and in the countryside must be given a sense of security, even in difficult weather conditions.

It must be stressed, however, that despite unavoidable losses, the economy overall functioned efficiently. Cases of breaks in production or disorganization of life occurred less frequently than usual in a severe winter. I would like here to address words of recognition to all those who contributed to this by their work. I also want to thank the soldiers of the Polish People's Army [LWP] who helped, as usual, in difficult moments. An important role in solving citizens' everyday problems is played by small-scale industry and the crafts. They satisfy many problematic, everyday needs. Their products are an essential complement to the market offer of industry. The government's stance is consistent: We are in favor of developing this socially and economically useful (?sector). At the same time, we are firmly against degenerations and speculation; the activities of the financial order services are proof of this. We are aware of the scale of these degenerations and the offenses which occur. We do not exaggerate them. We do not extend the negative assessment of the activity of units to all -- the decisive majority -- of people who work honestly.

Taking these assumptions into account, work is being finalized on the modification of legal acts concerning this sphere of activity.

With regard to the living conditions of the population, the fight against phenomena of social pathology is a particular problem. In 1980, the government examined a report compiled by the Council of Ministers' committee for observance of the law, order, and social discipline affairs. A long-term program of activity was adopted, as well as (?a package) of specific, short-term measures. It is worth noting here that the growth trend in crime was broken in 1986. This year, the implementation of that program will be assessed. The government will also submit to the Sejm an assessment of the implementation of the acts in force in this sphere.

May it please the House: The planned development of social services should be assessed from the angle of meeting citizens' needs, because the quality of life and the standard of living are not decided by the size of consumption alone, but also by the functioning of the social infrastructure Detailed indices concerning the material base of science, education, culture, health protection and environmental protection have been incorporated into the Central Annual Plan for 1987. These indices are the result of the current economic possibilities of our state. Ever-increasing budget resources are earmarked for the financing of social services, but these needs are growing quickly.

We are trying to cope with them according to our abilities, although over the last few years these areas could not avoid perceptible savings measures. In this situation, in accordance with economic reform proposals, particular importance is attached to the wider application of efficiency principles in establishments providing public services. This is not a question of automatically introducing economic accounting in these socially important spheres, but of stimulating the better and more rational management of resources. This is a long-term undertaking with a significant degree of difficulty. For a number of years, the exclusive responsibility for creating conditions for the development of these areas rested with state bodies. Now this is not enough. The stimulation of desired changes should therefore be accompanied by the necessary transformations in perception. This cannot be done by following a routine pattern. In every case the mode of activity has to be adapted to the fundamental substance objectives.

In scientific-research activity, we deem it necessary to conduct an interim assessment of research subjects planned for the current 5-year period, to accelerate those that are well advanced, and to eliminate those which do not produce the expected results. This would increase the concentration of effort and contribute to a more efficient use of resources. Scientific, research and teaching establishments should gradually increase the range and significance of self-financing. After all, some of the shortages of hard currency resources, for example, could be removed, not through subsidies from the state budget, but through the export of original scientific ideas, consulting services and chargeable tuition for foreigners. In the sphere of education, we shall continue with the introduction of the syllabi reforms in secondary schools. This will be accompanied by actions intensifying upbringing work. For especially gifted students and their best graduates, schools of higher education will create suitable conditions for development and vocational work. We have great hopes for the work of the expert committee consisting of eminent education theoreticians and practitioners. We expect that the committee will determine to what extent changes are necessary in the didactic, educational and organizational models of ecucation at every level. The problem of financial resources for higher education graduates' starting out in life also has to be solved.

The activation of culture-dissemination institutions and literary and artistic communities is one of the main tasks in the state cultural policy.

We shall be strengthening the open nature of the policy that is being conducted in an atmosphere of dialogue and friendly cooperation with the creative millieux.

We consider the struggle for equal access to culture, through correct preparation of a cultural offering and more regular collocation of cultural institutions, to be an important task. The prevailing principles of financing artistic institutions protect them against the automatic influence of the effects of economic forces. This is necessary to achieve high quality and wide participation in culture. But these principles cannot constitute a shield for work that is of no value and for passiveness. The government will provide greater inspiration than it has so far for the use of economic instruments in raising the level of creative work, and eliminating so-called artistic junk, publications and television programs of little value, periodicals of poor quality and small circulations. All these in no way reduce the means allocated for cultural policy. The national fund for cultual development will increase in the current year by about one-third. In the sphere of health policy, preventive activity will be expanded, particularly with regard to heart disease and tumorous diseases. We popularize the principle of free choice of a doctor. Conditions have been created for the implementation of tasks concerning the development and modernization of the health service infrastructure. One of the most acute issues has been the supply of medicines. The increase of production and supply of medicines will be the prime direction of activity. But we have to look at the issue from the viewpoint of rational management. At present, more than half of all medicines are distributed free of charge. Every year the means for this, including foreign currency, are growing. The government will allocate 127 billion zlotys this year toward the production of medicines and sanitary goods. The costs of the main imported medicines will amount to $120 million. Despite this fact, the deficit is increasing. The prevailing system is conducive to waste. It increases purchases above real needs and creates an irritating gap in the market. In March, the government will present to the house the actions taken in this sphere. Work on modifications to the system functioning in the health service and principles of financing will continue. It should take into account the requirements of the economic reform and secure fair and objectively justified access to medical services on health grounds. In my report, I am omitting socially important issues of ecology. A report on this matter will be presented at tomorrow's meeting by the minister of environmental protection and natural resources.

An important condition for the success of the planned designs and the consistent execution of efficiency is an improvement of conditions in the material sphere in social services. First in line for such an imporvement, and also for an improvement in the system, is the salary of teachers and health service workers. Two variants for change are being considered with regard to teaching cadres: The first ties the considerable increase in teachers pay to an expansion of didactic duties; the other is connected to making use of possibilities afforded by a teacher's charter, without raising the basic level of remuneration but with an increase in additional pay components. Both variants will be presented to the Union of Polish Teachers. The final decision will be preceeded by wide, social discussion on this vital problem, which bears significance for the long-term cadre policy of elementary education (?everywhere).

The government will undertake appropriate wage increases in order to improve the situation of health service workers, including and mainly that of young doctors and auxiliaries. The resources allocated for this will ensure for the health service the fastest growth in average wages in the whole budget sphere. The mitigation of accumulated imbalance will therefore take place.

May it please the House: In the past year, further stabilization of the country's sociopolitical situation has taken place. A realistic attitude and aspirations for internal normalization, despite the existence, after all, of various views and convictions, dominates in all social and professional milieux today. This is the result of the consistently implemented policy of national accord. The aspirations of political opponents to disrupt the process of stabilization have not met with the response and with the backing of wider social circles. This has led to the natural erosion of illegal groupings. The will for accord was most clearly expressed in the law on special procedures with regard to perpetrators of certain crimes. Yet again, it served to create conditions for a return to normal life for those who, in recent years, conducted activities contrary to the law and interests of the state. This law serves well in overcoming internal divisions. It is not the lack of conflicts or differences in views which testify to the strength of the nation, but the skill in reconciling them and using them as a driving force toward development.

The will for accord finds its reflection in the creation and strengthening, on new social planes, of social participation in the ruling of the state. This process manifests itself on all levels -- in the Sejm, the Council of State, the government, People's Councils, territorial self-government up to the level of the commune, and even in that of the housing estate.

The role of the People's Councils in the shaping of development processes in the regional sphere is increasing, and this also applies to the stimulation of social activeness. Recent initiatives, among them the establishing of the consultative council at the office of the chairman of the Council of State, or the widely consulted proposal of forming the insitution of an ombudsman, are successive steps toward the development of socialist democracy. Of particular significance to the popularization of the ideal of national accord, and making citizens and sociopolitical organizations active is the activity of the Patriotic Movement for National Rebirth [PRON]. Within its framework many social, economic, and political initiatives have been born. The government is paying its utmost attention to the initiatives of this movement. This can be exemplified by initiatives in the housing sphere or the development of the educational base. We also treat with great interest the campaign which was initiated before the second PRON Congress. The whole state administration will create conditions for the full use of the achievements of the campaign and the results of the congress.,

May it please the House, the government is making collective goals specific, it is organizing work and making it possible for Poles to cooperate together without classifying this sphere of human hearts. The aim of the government is to create social and economic development in the country and to strengthen the socialist state. This goal can only be achieved with support from the citizens, both believers and non-believers. Coexistence, therefore, with the churches and religious orders is not, in our understanding, a passing need but one of the permanent conditions for the success of state work. We wish to cooperate with the churches in making the supreme interests of the nation a reality. For instance, the permanence and sovereignty of the Polish State, the security of its borders, the position of Poland in the world, economic development, a peaceful life for all, the cultivation of national traditions, and above all, the strengthening of peace. We also propose a working cooperation in such spheres as assistance to families which are in financial difficulties, help for the weak and the sick, and the struggle against such social deviations as crime, drug addiction, and alcoholism. We desire a relationship with the church based on dialogue and mutual respect. In order to achieve these goals of internal policy -- and these goals are not conflicting and do not need to be -- relations should be based on the full recognition of the socialist state and the simultaneous right of the churches to fulfil their pastoral mission.

The Roman Catholic Church occupies a special position among the denominations in Poland. It has the largest number of believers. In Socialist Poland it has favorable conditions for activity and development. This creates a foundation for constructive coexistence between the socialist Polish State and the Catholic Church in accord with the interests of the Polish nation and above all of the believing majority of Poles. The existence of philosophical and ideological contradictions and disputes does not have to cause conflicts in society. These disputes, common to all people, regardless of their world outlook, can and should take place outside the course of the practical affairs of state. The acceptance by the Catholic Church of the offer of permanent coexistence and cooperation would promote the active elimination of extra-religious activity in those churches where such activity takes place. The visit by Chairman of the Council of State Wojciech Jaruzelski to the Vatican, and the journey soon to take place by Pope John Paul to Poland help toward progress being made in mutual relations. We want and expect the third visit by the Polish Pope to strengthen the positive trends in State-Church coexistence. This is the desire and the expectation of the majority of the nation.

Citizen deputies, last year the scope and forms of cooperation with the trade unions broadened. During the course of sometimes hard-hitting and controversial discussions, a new role for the trade unions was shaped and their position in the country's socioeconomic life was consolidated. An exceptionally important event was the Congress of the Polish Reborn Trade Unions. The government intends to concentrate cooperation with the National Trade Union Confederation [CPZZ] in the immediate future on possibilities and ways of implementing its resolutions. These activities will promote a better acquaintance with the needs of working people, which is of great significance for authoritatively determining the level of the importance of goals and the order in which they will be achieved. Specific results, and at the same time experience in shaping cooperation, were brought by the discussion on the draft National Socioeconomic Plan and the assumptions of the Central Annual Plan for 1987. A series of postulates by the trade unions were taken into account, above all on the matter of housing construction and also including increased expenditure on expanding the building materials industry.

But not everything could be taken into account. Some of the proposals went beyond current possibilities. Some of them did not fit into the framework of the joint economic concept. There was no way, for example, of supporting simultaneously the policy of curtailing subsidies and a departure from the so-called cost formula in order to promote equilibrium and achieve price stabilization.

Much discussion has also taken place on draft laws related to shaping work conditions, wages and social benefits, adopted last year by the Sejm.

There has been a marked improvement in the cooperation of enterprise managements and institutions with enterprise trade union organizations. As far as I know this view is shared by the unionists. On the matter of cooperation I spoke at length at the OPZZ Congress. I only wish to recall the most important points: There is a need for friendly dialogue which would respect the legal rights of trade unions and also the constitutional authority of the government; such a dialogue must be characterized by the belief that -- irrespective of differences of opinion -- we are united by joint socioeconomic aims, and that we are implementing the strategy of the party's 10th Congress in the name of the supreme good of the PPR.

In accordance with earlier declarations the government will act to increase the participation of employees in managing enterprises.

We have looked in detail at proposals which were a result of national debates by self-management representatives. To a significant degree the government has taken into account, among other things, the views of these representatives on the draft law regarding changes to certain laws which define the functioning of the socialized economy. Ministers and voivodas have been placed under an obligation to meet -- every so often -- with representatives of workers' councils in order to discuss the joint solution of the most important problems and tasks. We believe that these meetings could become a good basis for more efficient cooperation between self-managements and state and economic administration.

I have also advised ministers that when they discuss draft normative regulations with enterprises, they should also make it possible for the appropriate workers' councils to express their views.

May it please the house: Last year we continued work aimed at perfecting the legal system and at making the working of state administration more efficient. Bearing in mind the need to achieve stability in legislation, we restrained legislative initiatives, paying greater attention to analyzing the justifiction of normative regulations and to the expected results of such regulations.

The government submitted to the Sejm 16 draft laws, as opposed to 33 draft laws in 1985. The number of decrees and resolutions made by the Council of Ministers has been visibly curtailed, as have the decisions of the government Presidium, stressing the fuller use to be made of the legal authority of ministry departments.

There is an improvement in preparing executive acts within the time provided. I wish to admit, self-critically, that in our legislative work we are not yet free of mistakes. Several times legal acts presented by government organs have been called into question by the Constitutional Tribunal.

I wish to stress that we are far from treating the verdicts of the Constitutional Tribunal as purely prestigious [prestizowo]. We consider that the state administration should be an example for law observance and should give it more cohesion. We therefore see in such verdicts the benefits for the rational shaping of the law and the rule of the law, and increasing the credibility of democratic institutions in our state. In 1987 the government will undertake further work to rationalize and simplify the laws. I think that the sorting out of the lawmaking activity will be well served by the planned legislative work of the government up to 1990, which I shall present to the chamber in the near future.

While perfecting the functioning of the state administration, the government concentrates its attention on making administrative procedures more efficient, in particular services for the population and the evidence of [word indistinct] and also the principles on which documents are circulated in offices at all levels. On the one hand these will be methodological and systematic, and on the other hand specific, often technical decisions which will improve efficiency. For instance we must at last make sure that the principle is observed to the effect that the identity card is the document sufficient for one to deal with the majority of matters. This is an ongoing matter because as we all know well from theory and practice, bureaucracy has a natural tendency to rebirth. Despite popular opinions which are damaging to the state administration, a majority of the administration is not against combating red tape.

The economic reform, the independence of enterprises, and the creation of many social bodies have burdened the administration with much more difficult tasks. We must therefore strive for the necessary procedural simplifications which are also in the interest of the people. Here I would like to mention an important problem. The necessary development of the social base for governing creates certain temporary difficulties in the processes of managing the economy and social life. Among them, one so far notices a great number of initiatives which exceed the possibilities of their realization and the large numbers of discussions and consultations, or virtually bargaining, which expose contradictory group interests, a lengthening of the decisionmaking process, and an excessive amount of social time devoted to participating in numerous councils and commissions. There is no doubt, however, that in the long term the process of making management more efficient will result in strengthening support for the strategy of the socialist development of the country. What is more, this process is essential in order to realize this strategy in practice.

A by no means trivial role is played by the social climate surrounding the work of the administration. By accepting frequently correct criticism and by eliminating bureaucratic overgrowth, we have to remember that citizens' interests are well served only by a strong and efficient administration. All actions should be aimed at improving it and thus at increasing its prestige. Attempts to weaken the state administration engender far-reaching consequences. They do not serve to strengthen the state, the sense of belonging, and public discipline. The government will also be continuing work on changes in the structure of the supreme and central bodies of state administration. Their introduction is dependent on the progress and results of work of the party-state commission established at the second PZPR Central Committee Plenum. It would therefore be premature to provide precise details of specific proposals today.

Citizen Speaker, may it please the house, the analysis of last year's results and plans for the immediate future show the necessity of, but also realistic possibilities and opportunities for, speeding up the rationalization of the economy and various areas of public life. If we ensure joint participation in this process by the political forces, the organs of authority and administration, of public bodies and citizens of our country, we can achieve the desired qualitative changes in a relatively short period. The public expects such actions; doubtless it will support them. This is shown by the many examples of initiative, rational thinking, and creative efforts by workers and peasants, creative intelligentsia, employees of the state and economic administration and other sociovocational groups during last year. May I express from the Sejm platform my most sincere thanks to all working people of socialist Poland for this contribution to our common cause.

Thank you for your attention. [applause]

SEJM DEBATES ENVIRONMENTAL PROBLEMS, PROTECTION

LD292149 Warsaw PAP in English 2004 GMT 29 Jan 87

[Text] Warsaw, Jan 29 -- Today's second day of the Sejm meeting was an "ecology day" for the Polish Parliament, which took up environmental issues in what provided fresh evidence of the importance attached to the opinions of the electorate.

The need to take up the question of environmental protection was one of the most frequently raised topics at the then prospective legislators' meetings with voters ahead of the latest general election.

After many debates in parliamentary committees on various aspects of environmental protection, the legislators made a comprehensive review of the issue today, taking a clear stand reflected in a special resolution. The resolution said the Parliament saw environmental activity as a constitutional duty of all state bodies and individual Poles.

Today's debate was preceded by yesterday's hearing of the environment minister's report on the condition of environmental protection in Poland and government efforts in that regard, in which the condition of natural environment was termed unsatisfactory.

The legislators also heard a report of the Parliamentary Committee for Environmental Protection and Natural Resources, delivered by Deputy Bozena Hager-Malecka, which said there is need for proper ecology policy on the part of the state.

One of the many legislators who spoke in a debate that followed, raising the issue directly noted that it was hard to address environmental issues in Poland in an unemotional way, as pre- and post-election meetings with the electorate had been loaded with criticisms of environmental neglects.

The southern region of Silesia, Poland's industrial heart, may suffer an ecological stroke, the legislators said, adding that similar dangers hung over several more regions of the country, including for instance the threat to unique natural assets of the Mazurian lakes in the north-east.

Many of the legislators called for essentially the same: To tie the economic and ecological strategies in the long-range comprehensive way nationwide.

They noted that comprehensive efforts should start at company level by means of a system of financial burdens and reliefs which would really boost effective countermeasures against environmental pollution.

Environmental education should go from the stoker through managing director, they said, welcoming the words of a deputy who postulated introduction to all the technical schools and universities of a pledge by their graduates "first not to harm."

In a separate point, the Sejm passed a law raising the old age and disability pensions in 1987 and 1988, to three votes against and 18 abstentions.

A report on the bill was presented on behalf of the Social Policy, Health and Physical culture committee and the Committee for Legislative works [by] Zenon Draminski.

At the close of the meeting, which also closed the autumn session of the Parliament, government officials answered questions and interpellations from the legislators.

PZPR PROPAGANDA COMMISSION HOLDS SESSION

LD2920422 Warsaw PAP in English 2040 GMT 28 Jan 87

[Text] Warsaw, Jan 28 -- The first session of the PUWP CC Propaganda Commission, chaired by Political Bureau member and PUWP CC Secretary Jan Glowczyk, was held here today.

The commission reviewed the development of new mass media techniques, particularly satellite TV, and problems related to upgrading forms and methods of propaganda activity of the press, radio and TV.

The meeting was briefed on the Warsaw meeting of ideological secretaries of Communist and worker parties from socialist countries, and discussed a plan for the commission's work in 1987.

PUBLIC OPINION CENTER RELEASES 1986 FIGURES

Data on Domestic Affairs

AU211442 Warsaw TRYBUNA LUDU in Polish 16 Jan 87 p 2

[Text] PAP -- At the end of 1986 the Public Opinion Research Main Center carried out a public poll entitled "The Passage of 1986," in which respondents had to list the favorable and unfavorable events concerning life in our country in 1986. We have already reported on some results of the poll and publish others below.

Over 34 percent of respondents thought that the Congress of the Polish Reborn Trade Unions was one of the events favorable to Poland. Some 15 percent of respondents thought that improvements in the flow of consumer goods and 10 percent the stabilization of the country's political life were the most favorable events.

Every 10th respondent thought that Poland benefited by the new law on special procedures against certain crimes. Over 10 percent of respondents thought that good yields of farm produce were an especially favorable event.

Some 30 percent of respondents saw no events in 1986 that could be classified as favorable to the country. They saw unfavorable events or features mainly in the country's economic situation and in the people's conditions.

Some 33.6 percent of respondents thought that primarily price hikes were an unfavorable event, and 13.2 percent of them stressed the unfavorable results of the Chernobyl breakdown.

Almost 7 percent of respondents drew attention to the deteriorating material living conditions and as many to the shortages and bad quality of consumer goods. Again, almost 7 percent of respondents thought that our slow emergence from the economic crisis was also an unfavorable event for the country. Some 6 percent of respondents expressed their concern for inflation and the decreasing value of the zloty.

Other unfavorable features were listed in this sequence: the bad housing situation, coal shortages, no prospects for repaying foreign debts, incorrect farm policy, the inefficient realization of the economic reform, and the pollution of the natural environment. On the other hand, over 8 percent of respondents thought that there had been no unfavorable events in Poland in 1986.

Data on International Situation

AU271620 Warsaw TRYBUNA LUDU in Polish 21 Jan 87 p 3

[Text] PAP -- The public opinion poll carried out by the Public Opinion Research Main Center on the international situation shows that the Polish people expect this situation to improve and world peace to consolidate in 1987. This view was expressed by 43.5 percent of respondents.

Every fourth respondent (24.3 percent) wished the arms race to be halted and progress in disarmament to be made in 1987.

Some 16.2 percent of respondents hoped for improved East-West relations, a better understanding in the world, and cooperation among countries with different political systems.

Some 3.6 percent of respondents hoped for the continuation of Soviet-American summit talks in 1987 and the same ration of them took the view that armaments may be escalated.

In addition, those who answered assumed that the plague of hunger and want in the world would be eliminated or at least curbed. Some 4.5 percent of them thought that there would be no changes in the international situation this year.

Asked about statesmen and politicians who were responsible for the best benefits for the world in 1986, respondents listed M. Gorbachev (46.3 percent), John Paul II (25.3 percent) and R. Reagan (4.5 percent). Some 3 percent of them thought that no world personality deserved any honors for his activities in 1986 and 14 percent had no opinion.

MANIPULATIONS OF PUBLIC OPINION POLLS CITED

AU281610 Warsaw POLITYKA in Polish 24 Jan 87 p 7

[Article by Stanislaw Kwiatkowski, head of the Public Opinion Research Main Center: "Half-Truths Are Good Only for Half-Nincompoops -- Attention, They Manipulate!"]

[Excerpts] [Passage omitted] In 1986, our center published over 80 reports in a few hundred copies for distribution among official subscribers. The reports we send to the editorial administrations of several weeklies and dailies are the same we send to the political leadership of our country. Only one report was confidential. In addition, every quarter we publish 1,000 copies of a bulletin numbering some 200 pages, which we distribute free of charge among various institutions, including scientific units and higher schools. We use up almost 9 metric tons of paper for this "production."

So far the results of our efforts to popularize knowledge about the Polish community have been rather poor. The worst thing is that the data supplied by our center are very often distorted before they reach the people at large.

In this article, I do not intend to address praise and claims against the authorities, but to demonstrate how press readers, television viewers, and radio listeners -- the Polish public -- continue to be deprived of information by the media and to be arrogantly treated by journalists.

In the last days of December, we told the press agencies about results of the public opinion poll on people's views of 1986 and on their hopes for 1987. What PAP did with our data was to demonstrate as briefly as possible how good 1986 was for us and how much better 1987 will be. It listed events the people remember best -- the Reykjavik summit, the 10th PZPR Congress, and the trade union congress. PAP completely ignored critical and pessimistic views and failed to say a single word about Chernobyl, although respondents listed this catastrophe 3 or 4 times more frequently than they did the party and trade union congresses.

No wonder only two central dailies used this PAP hodgepodge, which contradicted the facts, compromised our research work, and insulted the receivers of such "information."

The Workers Press Agency's reaction was different: It would willingly use the results of our poll, but the trouble was that no one was available to collect them, so would we please send them ourselves?

No Western journalist would believe that this was so. Whenever I tell them how we try to interest our press in our work, they look at me distrustfully and certainly assume that I try to press on them some regime-concocted stupidity. This is because they no doubt think that all our data must be secret or confidential and not available to the press. Those of them who know more about the performance of Polish journalists smile embarrassedly (or with pity?). After all, in their countries, dailies pay tens of thousands of dollars or pounds for public opinion poll results and each one of them tries to be the first in publishing these results. Most of the important journalists who visit Poland always include a visit to our center in their programs. This is natural and obvious for them!

At the same time -- at the beginning of 1987 -- the media continued to tell us that the Belgians were very bitter about their achievements in 1986 and that, judging by the Gallup findings, the Americans were very unhappy in 1986. [paragraph continues]

Only Poland was all right: "A successful year for the country and for personal and family affairs." This was the headline the media used in publishing what they termed "the results" of our center's public opinion poll.

At 0600 on 6 January Program IV of Polish Radio -- program IV can be heard locally -- broadcast people's views about the government's achievements in 1986, saying that our center had been responsible for compiling these views. According to Program IV, some 8 percent of respondents thought that the government had done whatever it could to improve the country's situation and 35 percent of them thought that it had done much, but not quite enough.

This newscast told the truth, but not the whole truth. Although at such an unearthly hour people are slower on the uptake, there is no doubt that every listener realized that 8 plus 35 adds up to 43 and that nothing was said about the remaining 57 percent of respondents. What did that newscast ignore? Some 16 percent of respondents thought that the "government's achievements were matched by its failures;" 21 percent that it "achieved little;" 4 percent that it "did nothing to improve the situation; 2 percent held other views; and 14 percent found it "difficult to say anything."

It is no use suggesting that everyone lauds our government and loves its members because no one will believe such tales. What, then is the point of these manipulations for the benefit of half-nincompoops? It seems to me that this smacks of the old school -- of the fathers of success propaganda, of the claqueurs of the seventies and of their offsprings, and of the specialists in convincing those who are already convinced.

Is it possible to charge our center for this kind of public opinion poll information? Should Peter hang Paul because he is guilty? Should we publish corrections? This would be beyond our strength and power. We have gotten used to manipulations with our reports. Some people want to flatter those in power for some unknown reasons, others want to improve their well-being, and still others omit whatever they can to present those "at the top" in the blackest possible colors. [passage omitted]

When we first began our work, people in Poland and abroad thought that we classified our data as secret. They were usually not surprised that this was supposed to be so. Journalists or scientists who received our data would usually assure us that they would "never show it to anyone" and that it was "for their own use...." It was unfortunate that the old habits of self-censorship continued to assert themselves and that it is so difficult to get rid of them. [passage omitted]

In view of this, we should not be surprised that Michael Kaufman wrote in THE NEW YORK TIMES on 27 January 1986 about a "secret report" published by the Public Opinion Poll Main Center and that his article was republished throughout the world and broadcast by the VOA and Radio Free Europe, although this "secret report" had been carried wholly or almost wholly by WEKTORY, PRZEGLAD TECHNICZNY, and ZYCIE WARSZAWY. Why then secret?

I repeat: Our center is responsible only for what we publish and not for what is published secondhand. We do not vouch for jobbers. And those people who talk moonshine about our concealing the true results of our researchers and publishing the false ones, we advise, taking a leaf out of Wojtek Reszczynski's (TELEEXPRESS) book, to go and help moonshiners to make better moonshine.

POLITBURO, VOIVODSHIP SECRETARIES VIEW ECONOMY

LD291324 Warsaw PAP in English 0700 GMT 29 Jan 87

[Text] Warsaw, Jan 28/29 -- The PUWP CC Political Bureau together with first secretaries of the PUWP voivodship committees and heads of PUWP CC departments and government representatives sized up January 27 the implementation of the resolution by the Third PUWP CC plenum, considering economic performance in 1986.

Preliminary statistical data show that tasks envisaged by the 1986 central annual plan were reached in the key branches of the economy. The rise in industrial and agricultural production was higher than planned. This is reflected by exceeding the planned index of the national income growth. Export revenues were higher than planned and economic performance made it possible to somehow increase real wages and real old-age pensions and disability benefits, and primarily to ensure better supplies of marketables, particularly of foodstuffs.

The application of the principles of the reform influenced an increase in the effectiveness of work in the significant part of industrial enterprises. However, most factories do not score results corresponding to their potential. That is why advantageous tendencies were still coupled with negative phenomena. Tensions in the supplies of intermediate and raw materials and disturbances in coproduction ties persisted. The inflation rate was higher than planned. The envisaged volume of investment expenditures was exceeded, although the plan of handing investment projects for use was not implemented. The number of flats handed over for use dropped as compared with 1985. The plan for imports from dollar zone countries was considerably exceeded, which coupled with a relatively low export growth rate caused the surplus of trade turnover with these countries to be smaller than planned. No progress was made in restoring the money-market equilibrium.

The debates pointed to a considerable differentiation of results in management scored by individual voivodships.

The 1986 results and the present state of the economy confirm the need to speed up qualitative changes in management.

Fulfilling a directive of the Third PUWP CC plenum the Political Bureau started making monthly assessments of progress in initiating the second stage of the economic reform.

Making the first assessment, the Political Bureau focused its attention on preparations for the second stage of the economic reform. Work is under way on bringing the instruments of its implementation up-to-date. The government prepared a time-table to implement decisions of the third plenum in the first half of 1987. It laid a stress particularly on increasing initiative of economic units, consolidating export-oriented tendency of the economy, speeding up the application of scientific, technological and organizational progress.

The proper pursuance of the price policy of the 1987 central annual plan is one of the most important conditions for putting economic mechanisms in order. Price decisions cannot be a surprise for society.

They must be preceded by clear and honest information and consultations. One should sharply and publicly oppose violation of the reliability of the cost analysis and attempts to increase prices to cover the costs of mismanagement in factories with citizens' incomes.

The line of implementing the reform consists in growing autonomy and responsibility of enterprises. This means gradual departure from all forms of distribution and rationing.

The work on a review of production processes and products was advanced during preparations for the second stage of the reform. This work will include at first investment plans and programmes for the reconstruction and modernization of enterprises to eliminate out-dated tendencies and designs from development plans. The pace of the application of scientific and technological progress must grow.

The Political Bureau stressed that the second stage of the reform in the system of wages must mean the introduction of solutions counteracting the rise in wages unsubstantiated by growth rate, quality and real production costs.

The Political Bureau stressed that party-government commission to review organizational structures in the economy and the state started working correctly and with insight in areas determining organizational progress in the economy. The Political Bureau studied the state of work on improving the functioning of the state administration, rationalizing supra-factory organizational structures and simplifying the procedures of servicing the population.

The Political Bureau recommended an intensification of activities connected with the attestation of working posts in enterprises and other domains of state, social and economic life.

The Political Bureau evaluated the efficiency of functioning of the economy during severe winter frost and huge snow precipitation. Generally, proper preparations to the winter season permitted to avoid disorganizational of life in the country. It is too early for accurate calculations of winter losses but estimated data point out that they will be high.

The Political Bureau stressed that losses suffered due to winter -- slower pace of production and impaired coproductions links -- make it necessary to halt the deepening of delays and to make up the arrears as soon as possible.

Jaruzelski Chairs Meeting

AU292028 Warsaw TRYBUNA LUDU in Polish 27 Jan 87 p 1

[Text] PAP -- On 26 January Wojciech Jaruzeksli, PZPR Central Committee first secretary, chaired a conference of voivodship PZPR committee first secretaries on the current sociopolitical situation in the country and tasks for party work stemming from it. PZPR Central Committee secretaries and department directors also took part in the conference.

CEAUSESCU'S BIRTHDAY SPEECH STRESSES PARTY ROLE

AU291555 Bucharest SCINTEIA in Romanian 27 Jan 87 pp 1, 3

[Speech by RCP General Secretary and Romanian President Nicolae Ceausescu at the 26 January Bucharest ceremony on his birthday]

[Text] I am deeply thankful to you all, to the Executive Political Committee, and to the party Central Committee for the good wishes I received on my birthday and congratulations for my long revolutionary work in the ranks of our glorious Communist Party. I most warmly thank the party and the entire people for their confidence in me and expressions of valuation of my revolutionary activity in the service of the people, of the cause of socialism, and of peace and cooperation among all nations.

Looking back on past years -- of which nearly 55 were in the ranks of the Communist Party -- I am very pleased to say that I was happy to take an active part in the revolutionary struggle for the overthrow of the old, bourgeois-landlord system, the carrying through of the socialist revolution, and the building of the new social system -- socialism -- in our homeland.

A long struggle was waged by the masses and by the most advanced forces of our people to eradicate the bourgeois-landlord oppressors' system. We should emphasize the deciding role of the RCP. Founded more than 65 years ago, the party creditably fulfilled its historic mission as organizer and leader of our people's struggle for the overthrow of the old oppressive and unequal social system and for the construction of the new, equal system based on social and national justice: a system where the masses and people are full masters of their destinies and makers of their history, their free and independent future.

There were many problems that had to be overcome in the years of socialism development of our homeland, many negative things, particularly the backwardness of our country in the wake of its long oppression by various empires, monopolies, and imperialist countries that plundered and drained the riches of our people for many centuries. Adding to all that was the fact that the bourgeoisie and the landlords, the ruling classes of the past, pursued a policy that was at odds with national interests concerning the growth of the forces of production and the general development of the country. However, I want to stress again that it was the long rule, the oppression -- in various forms -- of different empires as well as of monopolies and imperialist countries that was essentially responsible for our inherited backwardness.

That explains why the overthrow of the bourgeois-landlord system, the taking over of power by the working class in alliance with the farmers, the intellectuals, the whole people, the end of the imperialist countries' domination and of dependence on them, paved the way for a new development and for the technological economic and social progress of our country. Had those essential causes not been removed, our people would have continued to remain in a state of backwardness. That that would have been so can be seen from the example of many countries whose past condition was about the same but which, failing to fulfill these fundamental goals, have to this day remained in a state of backwardness, dependent on monopolies and imperialism.

This is a point we must make -- now, when there is much talk on an international plane about the eradication of underdevelopment, of the difficult condition which almost two thirds of mankind lives in -- to show that the true cause for this condition is the colonialist policy of domination, and imperialist policy. The only way to end backwardness and inequalities is to do away with all this and achieve new relations among all nations of full equality, of equal cooperation, with each people being its own master, free to make its life as it wishes.

By removing the causes of backwardness, our people, led by the Communist Party, concentrated its forces on the successful building of the new system -- socialism -- in Romania. We are now taking firm action for the implementation of the historic decisions of the 13th RCP Congress, of the party program of building the multilateral developed socialist society for the firm advancement of Romania to the classless, welfare society where people and nationalities are fully equal -- the communist society.

Our people's great achievements are well known. Anybody -- friends as well as people who do not look favorably, if I may say so, on the socialist development of our homeland, of socialism in general -- can see what the socialist development path meant to Romania: industrialization, the development of agriculture, science, and culture; the continuing improvement of the living standards, material as well as spiritual; the rational distribution of the forces of production and the harmonious growth of all zones, all counties; the development of several economic and social centres in each county; the vast economic and social construction work -- houses, schools, hospitals and other establishments -- all of which are essential for a higher civilization and the development of our country.

We can really take pride in what we have achieved in the years of socialist construction, in the way we applied the demands of scientific socialism, its principles as well as its general laws and truths, to Romania's specific conditions.

There were also shortfalls, as well as problems, and mistakes were made, too. Judging things as revolutionaries and humans should do, we must say that some mistakes were inevitable, but some could have been avoided. Of course, if 25, 30 or 35 years ago, we could have had the understanding and experience we now have, many things would not have happened. And yet, in spite of all this, we are both pleased and proud to say that our people, led by the Communist Party, managed to cope with a wide range of negative situations and ensure Romania's firm advance in the achievement of the socialist principles of ownership, life and work.

We must underscore -- and this is very important and necessary to do in the present international circumstances -- that everything our country as well as other socialist countries have achieved is strong evidence of the correctness of the principles of scientific socialism, of the fact that socialism is the only way to a society where people can fully enjoy the wonderful gains of science, of economic and social progress, ensure its welfare, happiness, true independence and sovereignty.

Deep changes worldwide, the great achievements of science and technology, have transformed the international life a great deal. The world -- hence the socialist countries and Romania as well -- is at a new social development stage. New problems arise that are related to the way the forces of production develop a new international division of labor, new economic relations among nations and, certainly, new political relations, the development of new relationships altogether ruling out the anachronistic inequality and oppression of one people by another.

There is much talk about what should be done and what action ought to be taken in the new international circumstances. I would like to speak, first of all, about some problems of socialist development and about the ways to continually strengthen and improve socialism.

Beginning with the Soviet Union, the long way the socialist countries have gone, their tremendous achievements -- I emphasize this -- no doubt stand proof to the superiority and justness of the socialist way of development of society, of the justness of the principles of scientific socialism, of the revolutionary outlook on the transformation of the world. However, the socialist society has also gone a long way and completed several stages. Just as we refer to Romania's development stages, so in fact each socialist country has covered several development stages, in one form or another. We have come to a point where socialist accumulation -- to put it that way -- is strong, and this refers to the forces of production, science, culture, as well as to socialist practice and experience. In consideration of all that was good, we may say -- and I repeat it -- that practice has proven the justness of socialism and that, notwithstanding shortfalls, shortcomings and mistakes, the progress we have made would have been unconceivable in other systems.

Speaking about the need to improve and develop socialism further, it is my opinion that our basis should be the lessons, the experience and practice of socialist construction, as well as the invincible principles of scientific socialism, of communism. One cannot speak about socialist renewal, about perfecting socialism, except by starting from these principles, from the need to develop them, to enrich them through the huge achievements of the science and work of socialist construction, of the revolutionary struggle of peoples. There is no way to speak about socialist perfection and look back to the so-called market socialism and free competition -- and all this in the name of objective laws. One must, indeed, always take objective laws into account and apply them to realities in each country. But there are laws, and laws. Socialism has developed, during its existence, its own laws. We must distinguish between the general truths and laws of social development, and the laws specific to the bourgeois-imperialist society based on the property of a group of exploiters, oppression, inequality. One cannot speak about improving socialism by developig the so-called small private property. Capitalist property is capitalist property, be it small or large. One cannot speak about the socialist economy and not assume the socialist ownership of the means of production as its basis. This is an objective law, in the absence of which one cannot speak about the building of a better and more just system. Practice has amply proved that socialist property, the property of the whole people, whatever its form -- state or cooperative -- its strengthening and development, is the only way to achieve the principles of socialist equity and justice, to strongly develop the forces of production, and to ensure each nation welfare and independence. I think I ought to stress this because nearly 55 years ago, when I joined the Communist Party, I was persuaded by the idea of making the goals of scientific socialism come true in Romania. Now, when these goals and principles have been achieved, and when they are developed vigorously, I must stress that, what 55 years ago were to me, to our party, to revolutionaries in general sometimes utopian dreams -- that people even died for -- have come true. As a revolutionary and a communist, I think it is my duty to underscore that the principles of socialism have fully proved their superiority, and this is the only way we must take to socialist development.

You see, comrades, the world changes. The revolutionary generations, or, to put it better, the people who carried through the revolution, and laid the basis of socialist development are departing, leaving behind people who only get knowledge from the books -- and there are some who do not even bother to read these books, to say nothing of the fact that we still do not have enough books and works depicting the glorious fighting past of our party, of our revolutionary movement. And many people begin to think that the time of revolutionary struggle is over and that the time has come to live a quieter, more comfortable life, because it was for that reason that the revolution was made and socialism built. This is something that really happens and it is a danger -- although not a very strong one with us. We must take action to make it well understood that the process of great revolutionary changes has not ended and will virtually never end. [paragraph continues]

Mankind, each nation, will embark on new stages of the revolutionary process or on various revolutionary processes conceived as one, as part of the continuing progress of society and of each people.

We must understand well and praise the past, the present, do our best for the revolutionary development of our country, for the continuity of the revolutionary process.

We need revolutionaries whose knowledge is abreast of time, who must cope with demands that are far greater than in the past. Of course, it used to be very difficult to be a revolutionary. One had to have a strong sense of sacrifice and dedication. The revolutionary struggle required a sense of sacrifice, it even claimed lives -- and the communists and other revolutionaries gave theirs. The demands are no less today. We need revolutionaries who can muster the achievements of science, of technology, in all areas. We need people with a sense of sacrifice, with a high revolutionary outlook and responsibility to the present and the future of the country, people who put the general interests, the cause of socialism, of welfare, the liberty and sovereignty of the country above all.

We have a strongly developed socialist democracy. Socialism has always set out to achieve a society in which working people, the masses of people are full masters of their riches and make the future they wish, a broad and true democracy. A democracy where the masses, the people, take part in the management of all sectors, of the entire society, of activity as a whole. We have built a widely democratic system that is well known. We may say that we have a wonderful setting which provides for the participation of all social segments, of the whole people in the government of society. We must improve and develop this system while remembering that socialism is achieved with the people, and for the people. As I have said before, to achieve this, one must really be a man. We must build a humane communism for real men and women, for their welfare and happiness but we must also strive for everybody to actively contribute to general development, to the development of society.

Socialism is inconceivable without a broad revolutionary democracy, without people's active participation in the management of all areas of activity. But starting from this, we must understand that this broad revolutionary democracy must be achieved in the new historical conditions when there no longer are exploiting classes and when we must provide for a complete homogenization and unity of our socialist society.

It is in this vast revolutionary process that the party plays its role and asserts its power -- as political leader of the entire activity. Socialist, revolutionary democracy, the development of the society are inconveivable without ensuring the enhancement of the role, strength and revolutionary boldness of the party. The party is the vital centre of the entire nation and must always be clairvoyant; it drives our entire people and dynamizes the nation's creative power on the luminous road of communism in Romania.

Certainly, each sector of activity has responsibilities and targets within the socialist division of labor -- hence in socialist democracy -- in the development of society. We have the government, we have democratic bodies, and we have collective management bodies, management boards in enterprises, in institutions, in all economic and social sectors. But can we imagine leaving the activity of each of these sectors to chance, knowing that everyone should be responsible for his activity, that we must enhance the responsibility and autonomy of the enterprise? But to whom do these enterprises, the various sectors of activity belong? Is there, in this world, an organized state -- even in the bourgeois democracy -- a political party that has assumed a responsibility that does not work to implement its program, that does not do its utmost to see its program carried into effect?

No one can conceive that a revolutionary party would say it will let the enterprises or the economic sectors manage themselves and will no longer interfere in the management of the enterprise or of the scientific, cultural, or other activities. Is such a conception possible? Has it anything to do with the principles of scientific socialism or with the revolutionary outlook on the world? Undoubtedly, such an approach is inconceivable. Self-management and financial self-administration mean the growing responsibility of each collective and of each group of people in one sector or another for proper administration, development, and the achievement of the targets set, but for this they are responsible before the state and the people, the party being the leading force responsible for the way in which each sector carries on its activity. What a ruling party are we and how do we fulfill our duty to the people if we do not work so the congress resolutions and the party program of building the multilaterally developed socialist society is implemented in all sectors? Self-management and revolutionary democracy are inconceivable without the leading role of the party as the standard bearer and -- I repeat -- the vital center from which all the creative energies of our nation should come.

We have the great responsibility to ensure the advance of science, technology, education, and culture, to bring fresh dimensions to the new revolution in science and technology and to the new agrarian revolution, and to base our activity on the latest technical-scientific achievements. Only on the basis of the latest gains of science in all domains, in human knowledge in general, and of social and revolutionary thought will we be able to advance and unflinchingly implement the 13th Congress resolutions and the party's program.

We have wonderful programs and grandiose aims. They are based on the outstanding achievements we have scored so far and on the revolutionary conception of scientific socialism, which remains the clear-sighted guide and the only one for guaranteeing our unswerving advance to socialism in the present conditions when so many difficulties occur; when there are storms, a lot of clouds; when you can be easily misled; when you can see an oasis somewhere and you cannot understand that that is not a right way to communism but -- to part it so -- is an illusion, a delusion in this multitude of storms and deep-going changes. It is only a clear, scientific guide that can ensure our firm advance. So, we must do everything possible to develop and consolidate our party's revolutionary outlook and give new dimensions to the scientific, socialist outlook on world and life, laying all these tremendous achievements in all fields as the basis of the revolutionary conception about world and life, which from the very beginning has actually been the scientific socialism and communism.

Dear comrades,

The policy of the use and threat of force continues to be manifest in international life. The danger of another world war, which would inevitably turn into a nuclear war, continues to place life and the existence of civilization and of our planet in jeopardy.

We must actually understand that many changes occurred in the world. After the Second World War mankind saw deep-seated changes, but the pertinent conclusions and lessons were not drawn from the fact that the new weapons make a new world war impossible and that the very life of our planet is jeopardized. In the name of life and of mankind's existence, we must do our utmost to change the course of events and to completely renounce the obsolete views regarding the inevitability of war, given the fact that, under the current circumstances, a war can no longer be waged. We must do everything for nuclear disarmament, for the elimination of nuclear weapons, and for a world free of wars and weapons, which scientific socialism proclaimed and set itself to build ever since its appearance.

I will not refer to world problems at this time. Our party's positions and activities for disarmament, for peace, and for new-type relations among all the states of the world, whatever their social system, are well-known. I should like only to stress that we are fully satisfied with the fact that, after the Second World War and more particularly in the last 20-25 years, our party and state made a tremendous contribution to the settlement of several international issues, that they had their own position on the most important problems facing present-day mankind. Experience has proved that our party's positions on numerous problems have been correct. We are satisfied that the goals we set in international relations correspond to the general trends of social development, of world development, and the objective demands of the current stage in mankind's progress.

With this as a basis, we can convincingly and confidently work to implement our party's policy of developing collaboration with all the states of the world according to the principles of fully equal rights, respect for independence, sovereignty and noninterference in internal affairs. Let us boost our ties with all socialist countries, take firm action for a better collaboration and cooperation with CEMA, on the basis of jointly set principles apt to prompt the powerful growth of each socialist country. Let us take firm action for the expansion of relations with developing countries, for the building of a new world economic order and the boosting of economic and technical-scientific links with the development capitalist countries in all spheres and take an active part in the international division of labor.

We must do our best so Europe may become a continent of equal collaboration among all nations. We must act for its security and unity. Let us do this so that nuclear weapons may be eliminated from Europe and conventional weapons cut. Given the fact that thus, the continent of Europe which did so much for civilization in the past may fulfill a major role in the resolution of contemporary international problems, in the interest of peace and equal collaboration among all nations. We are firmly convinced that Europe can do more, and we wish to collaborate with all the states on the this continent so that it should better fulfill the role it must play in international life. We wish a more just, and better world, one without wars and weapons, where each nation may develop as it sees fit.

We wish to broadly develop ties with communist and worker parties. We are convinced now more than ever before, that communists must assume responsibility and support the struggle for nuclear disarmament and peace. Today, there are no other problems more important for communists than disarmament and peace. We must expand relations with socialists, with social-democrats, and with all the democratic and progressive forces, whatever their beliefs or opinions on development or on the resolution of one problem or another. There are vital problems, related to mankind's existence and the collaboration of all progressive forces, that demand the triumph of reason to bring peace to all world nations.

Dear comrades,

In the last few days, I have referred, at length, to the problems of our developmernt and the measures concerning the fulfillment of the 1987 plan. I cannot conclude my speech before stressing, in this revolutionary framework, that we have a great responsibility to work with all our might for the implementation of the plan and program for this year in the best possible conditions, for the modernization and betterment of the whole performance, and for the resolute assertion of self-mangement and self-financing in all fields of activity.

All this requires responsibility, revolutionary spirit, boundless devotion from every party and state cadre, every communist, every working man. [paragraph continues]

We must understand that, now, the decisive role goes to the practical, organizational work to implement our wonderful development programs.

Once I said -- now I am only mentioning it -- that a certain state of backwardness is still manifest in the organizational work and, in a way, in the revolutionary consciousness. We should raise the level of the organizational work, of the revolutionary consciousness to the level of the powerful development of the production forces, of our society in general.

I should like to express my conviction that all of our prty and state cadres, headed by the members of our Central Committee and Executive Political Committee, will work in the spirit of high revolutionary exigencies and responsibilities to unite the people's powerful creative force and channel it into one direction -- that of unabatedly carrying out the party's program and the decision of the 13th Congress, ensuring Romania's passage to a new state of development, supporting the growth of the nation's material and cultural force, the people's welfare and happiness, and the permanent consolidation of Romania's indepedence and sovereignty.

As far as I am concerned, I wish to assure the party and our entire people, the Central Committee, and I assure you too, dear comrades, that I shall continue to do my best to contribute to increasing the force and activity of our party, ensure the unflinching fulfillment of all objectives for the victory of socialism and a passage to building communism in our homeland.

I will also continue acting in the spirit of revolutionary democracy, starting from the thesis of building socialism with the people and for the people, from the kindness of our people -- and therefore of our party -- to promote revolutionary concepts. but I deem it necessary to add, I will show even more revolutionary exigency for the activity of everyone of us, my own activity and that of my collaborators, of my fighting and working comrades. I want to stress that kindness should not be understood as lack of revolutionary firmness and its exigency. It is particularly this, the care of man, for the people, that requires revolutionary exigency for oneself, but also for one's collaborators. This is how communists must behave. And I assure you that I will try to do my best along this line as well.

Giving thanks again for the wishes and words I have been addressed, I should like, on this occasion too, to convey first of all, to our party and people, my best wishes for the implementation of all the development programmes of our homeland. I wish you good health and happiness.

I address the same wishes to all of you dear comrades.

CEAUSESCU RECEIVES NEPALESE ENVOY'S CREDENTIALS

AY191855 Bucharest AGERPRES in English 1621 GMT 19 Jan 87

[Text] Buacharest AGERPRES 19/1/1987 -- Romania's President Nicolae Ceausescu received on January 19 Bisheswor Prasad Rimal who presented his letters of credence as ambassador extraordinary and plenipotentiary of the Kingdom of Nepal to Romania.

Handing over his credentials, Ambassador Bishweshwar Prasad Rimal conveyed President Nicolae Ceausescu wishes of good health and happiness from King Kirendra Bir Bikram Shah Dev of Nepal as well as wishes of progress and welfare for the Romanian people.

In his address the ambassador refers to the good, friendly ties between Nepal and Romania, with emphasis on his country's wish to work for their further development. He stresses the interest with which Nepal follows the Romanian people's achievements under President Nicolae Ceausescu's leadership, Romania's principled foreign policy devoted to peace and mankind's progress.

On receiving the credentials President Nicolae Ceausescu conveyed the King of Nepal wishes of good health and personal happiness, of peace, progress and prosperity for the Nepalese people.

In his address of reply the Romanian head of state refers to the relations of friendship and collaboration between Romania and Nepal as well as to the existing possibilities of further expanding them, more particularly of increasing commercial exchanges and economic cooperation on mutually advantageous bases.

The address also shows that Romania gives special attention to international developments, firmly campaigns for the lessening of tension, for a policy of peace, independence and broad cooperation among all the states and nations. The need is underscored for a growing role of small and medium-sized countries, of developing and nonaligned countries in a constructive solution to world issues.

After the credentials presentation ceremony, President Nicolae Ceausescu conducted a talk with the ambassador of the Kingdom of Nepal, Bishweshwar Prasad Rimal.

The ceremony and talk was attended by Foreign Minister Ioan Totu and Dumitru Apostoiu, presidential and State Council secretary.

CEAUSESCU RECEIVES NEW GUINEA-BISSAU ENVOY

AU292039 Bucharest AGERPRES in English 1921 GMT 29 Jan 87

[Text] Bucharest, AGERPRES, January 29, 1987 -- Romania's President Nicolae Ceausescu received on Thursday, January 29, Ensa Mahatma Djandy [spelling as received], who presented his credentials as ambassador extraordinary and plenipotentiary of the Republic of Guinea-Bissau to Romania. Ambassador Ensa Mahatma Djandy conveyed to President Nicolae Ceausescu a message of friendship from President Joao Bernardo Vieira.

In the address presented by the ambassador emphasis is placed on the relations established between the two countries, between the African Party for Independence in Guinea and Cape Verde and the Romanian Communist Party, on the wish to consolidate and further develop these relations. The address highlights the special appreciation enjoyed by Romania's policy, by President Nicolae Ceausescu's contribution and role in the struggle for detente, collaboration and peace in Europe and the world over.

President Nicolae Ceausescu addressed a cordial, friendly salute to the president of the Republic of Guinea-Bissau. The address of the Romanian president highlights the relations of friendship and collaboration between the two countries, that develop on the basis of full equality, mutual esteem and regard, as well as the wish to give them an ever richer content, especially through the development of the commercial exchanges and economic cooperation.

Socialist Romania's support is reiterated, to the African peoples' struggle for the complete eradication of colonialism, for the defence and consolidation of national independence and free advance on the path to economic and social progress.

ZAGREB VIEWS REAGAN STATE OF UNION MESSAGE

LD292244 Zagreb Domestic Service in Serbo-Croatian 1800 GMT 29 Jan 87

[Milika Sundic commentary from the "Radio Newsreel" program]

[Text] U.S. President Reagan's State of the Union message did not offer either Americans or the world anything that would give rise to the hope that this year will be marked by a significant change in U.S. domestic and foreign policy. Here is a commentary from Milika Sundic:

[Sundic] Reagan's message on the State of the Union is more colorless than any he had addressed to Americans in the past 6 years. He took upon himself the responsiblility for the delivery of arms to Iran, but with the qualification that the intentions were good though the goals were not achieved. He did not even refer to the second part of the Iran affair, so how a portiion of the funds from the sale of the weapons got into the hands of Nicaraguan counterrevolutionaries remained unexplained. True, the subject of Nicaragua was not avoided on this occasion either, because Reagan told Congress of his continuing involvement in opposing the Managua government. Iran was also mentioned, but in the context of a warning that the United States will not sit back and allow the war in the Gulf to spread to other countries and threater U.S. vital interests in that part of the world.

Although the U.S. President's State of the Union message is usually formal, it was nevertheless expected that Reagan would display greater confidence, both with regard to the present juncture in which the United States finds itself and to the moves he intends to make in the near future. The U.S. President appeared to have resigned himself to the fact that in the area of foreign policy, primarily relations with Moscow, there is no more he can do. One gets the impression Reagan has not recovered either physically or politically, which prompted a NEW YORK TIMES commentator to predict the even more rapid crumbling of the power of the administration than is usually the case in the last 2 years of a second presidential mandate. Moreover, the fact that the U.S. press as a whole gave more space to the speech by Mikhail Gorbachev at the CPSU Central Committee plenum than to Reagan's State of the Union message is convincing evidence of the extent to which the Iran affair shook the foundations of the White House and of how unwilling Americans are to forgive, even when it comes to the head of the executive branch.

Polls on Reagan's popularity reaffirmed this time too that Americans have less and less faith in him. If we add to this the changes in the House of Representatives and the Senate in favor of the Democrats, Reagan will, even without the Iran affair, find it increasingly difficult in the next 2 years to achieve what he intended to in both domestic and foreign policy. Thus, for example, it is only possible to speculate on plans for Reagan and Gorbachev to meet this year, the more so if we keep in mind the determination, which Reagan again expressed, to increase the Pentagon's budget and speed up the realization of his Strategic Defense Initiative, or Star Wars.

It is true that in the coming weeks and months the situation can change, but as things stand at the moment, Reagan is obviously lacking in both the strength and the desire to put right what he had failed to do in the past 6 years, and in particular to wrestle with Mikhail Gorbachev, who is at top form.

CPSU RESOLUTION ON REFORM, DEVELOPMENT ASSESSED

LD300041 Zagreb Domestic Service in Serbo-Croatian 1400 GMT 29 Jan 87

[Text] The 2-day session of the CPSU Central Committee, which ended last night by adopting a special resolution, reiterated that the course of reform and accelerated development has become a long-term strategy of Soviet domestic policy. Here is Zrnka Novak:

This long-awaited CPSU Central Committee Plenum, which dealt with the reform and cadre policy, has in fact suprised observers by the profound and far-reaching changes in, above all, the functioning of the political system. The cadre changes carried out at the party top were thus completely overshadowed by the proposed innovations. These innovations include: autonomy of firms and self-management, changes in the election law, ballots with several candidates, secret ballots and methods of electing people for leading posts within the party, the irrevocable development of democracy, and permitting noncommunists to be elected to leading posts in Soviet society. There are also the tasks of ensuring a more harmonious development of intranational relations, of making cadre policy more reflective of national representation, and so forth.

In addition to all these specific ideas, Mikhail Gorbachev's speech also contained the sharpest criticism so far of the post-Lenin period in USSR history. For the first time the blame was assigned to the CPSU Central Committee and the shortcomings of Soviet social theory. It is therefore understandable why, in view of all this, the departure of Kunayev -- which was expected -- and of Zimyanin, who was responsible for the development of social science and theory, was overshadowed by the great number of serious changes. The two newly elected secretaries belong to the group of cadres who were elected to the leading party bodies at the 27th CPSU Congress.

The changes, although the majority are only proposals or simply defined as ideas, are no doubt far-reaching. It is understandable that in a society which, either due to circumstances or the the well-known deformations in the history of socialism, has for years existed as a static society of ossified relations and customs, such a dynamism, if carried out, may have many unexpected and undesirable consequences. It has become a practice to illustrate this by the fate of the reforms by or even of the very personality of Nikita Sergeyevich Krushchev. However, it should be pointed out that, not only in the USSR but in the world as a whole, the 1960's were totally different from the present time. What failed at that time, either because it was premature or because of voluntarism, has today become a condition for the survival of socialism. In any case, many of the proposed changes in the political system have already been carried out in other countries of the socialist community, primarily in Hungary and Poland. It is very important that the Soviet party leadership has finally realized that there can be no economic reform or the desired accelerated development unless preceded by wide-ranging democratic changes in society as a whole, in the life of its people, in particular, and by reforms in the functioning of the political system.

MIKULIC VIEWS NEW BUSINESS EFFICIENCY LAWS

AU291437 Belgrade BORBA in Serbo-Croatian 24-25 Jan 87 p 1

[D. Vucinic and R. Stevic Report: "Only the Start of Changes"]

[Excerpt] Belgrade, 23 Jan -- Changes in systemic laws adopted at the end of last year -- which mean an orientation toward the market production of goods accompanied with a suitable plan -- represent only the beginning of many systemic changes without which there would be no way out of the present economic crisis.

This was stated today by FEC President Branko Mikulic in a talk with representatives of the Djuro Djakovic composite organization of associated labor of Slavonski Brod about this work organization's business results and the first calculations of success based on the new accounting system.

Mikulic pointed out that work is already being carried out on a proposal for changes in other systemic laws (on planning, expanded reproduction, joint investments, and so on). According to him, ordinances [podzakonski akti] necessary for the application of the law on foreign exchange transactions to regulate some outstanding questions regarding support for net foreign exchange earnings as well as export production in general to stimulate exporters to export primarily to hard currency areas will be issued by 15 February.

Income Rather Than Distribution [subhead]

Stressing that the key question is fighting inflation, Mikulic said some already observed phenomena, such as mass pressure for raising the prices of some products and discussions about whether the resolution on the development plan for this year is really binding or not, are worrying. "How can one be in a dilemma about whether an official, expertly prepared, and democratically adopted plan document should be binding or not even if it is only words," commented the FEC president. He added that the achievements of our revolution should not and must not be called into question by any kind of negation of self-managing rights and self-managing decisionmaking by the working people. But these achievements must not be ruined by any kind of irresponsible attitude toward work and the struggle to create income and must change the current practice of squandering money.

The FEC president said that instead of paying too much theoretical and practical attention to distribution, we should turn more toward talks about and pay more attention to creating income and increasing production. By the way, it is not true that we are deadlocked in making decisions on systemic and other changes, as can be heard in many discussion forums which we left to others, particularly after Tito's death, and in which everything that we have created up to now -- which is neither small nor insignificant -- has often been devalued. For example, we have had hardly had any problems in agreeing about pooling resources for building the "Brotherhood and Unity" road, for building the second lane of the Adriatic coast highway, connecting Pristina with the highway, and so on. We have started an initiative for all employees to donate 1 day's pay to help the Knin area after its earthquake. Certain amendments to the SFRY Constitution have already been proposed and decided upon, and so forth. Therefore, our decisionmaking is not in some kind of dead-end position from which there is no way out.

How Much "Power" to the Federation [subhead]

In his reply to remarks by some individuals from the Djuro Djakovic work organization that the law should ensure that there is more separation between the responsibilities of expert business organs from those of self-managing structures, and that, in addition to having more responsibilities, directors should have more rights in rewarding good workers as well as punishing and even dismissing those who do not work, Mikulic asked whether those in the "base" would be in favor of some federal law that would enable republics and provinces to change this and similar provisions in the legislation. According to the law on associated labor, which, as known, has not yet been changed, this lies within the jurisdiction of the republics and provinces in which the federation does not have any "power." "I am in favor of this," said Mikulic, "but if the government is to come up with such a proposal, somebody might accuse us of being centralists, unitarianists, and similar things." The hosts said they were in favor of this. [passage omitted]

MIKULIC DISCUSSES ECONOMICS AT KRAGUJEVAC PLANT

AU281954 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 28 Jan 87

[Report on statements by FEC President Branko Mikulic at talk with managers of Crvena Zastava car plant in Kragujevac on 28 January -- passages within quotation marks recorded]

[Excerpts] Despite the policy agreed upon, the beginning of this year is marked by a price explosion, and it also causes concern that everybody talks about distribution, but only a few speak about creation, better work, and integration of the Yugoslav economy. This was said by FEC President Branko Bikulic in talks with the leaders of the Crvena Zastava plant. Together with Desimir Jeftic, president of the Executive Council of Serbia, Mikulic visited Kragujevac today. Here is a report by Zoran Glisevic: [passage omitted]

The FEC, President Branko Mikulic stressed, will not adopt a dogmatic attitude on the system-regulating laws that are denied by practice. He continued:

"Many questions that we discuss now will be utilized, so to speak. In the FEC, we think that the Foreign Exchange Law, such as it is, is not an obstacle to the functioning of the foreign exchange market. However, the basic problem of this Foreign Exchange Law lies in its nonimplementation. As you know, we proposed some amendments to this law in September, and we shall regulate some problems in more detail with an ordinance [podzakonski akt] -- you spoke about these problems here -- especially as regards the creation of conditions so that exporters, especially those that achieve a net foreign exchange inflow, may be able to carry out their commitments to foreign partners in keeping with the rights of the Foreign Exchange Law.

"In the FEC, we have also faced the problem of payments that are not made in time for customs duties, fees, and other dues, as well as the inflow of money from other sources for these purposes, due to which we have these problems. Therefore, when we talk about this idea you broached -- we must discuss it -- that interest be added to the payments that are not made in time and are perhaps covered by bills of exchange, we must also apply the same logic when it is a matter of delays in payments mentioned above."

In a part of his speech, Branko Mikulic spoke about spending, saying that personal earnings in Yugoslavia last December increased 22 percent in comparison with November, because many feared that a freeze would be imposed.

"Neither in the FEC nor in other federal organs did we ever think about suspending the social accord and self-managing agreement now in force, or rather the social accords and self-managing agreements. We insist, as the Economic Resolution set down, that the rise of personal incomes be tied to the real rise in productivity of labor.

"Now it is said: How can we measure labor productivity? Of course we cannot measure it in the country at large, and not even within the branches of the economy. It must be measured in specific associated labor organizations, just as in distribution. We must wonder why this question of how to measure productivity of labor arises from after 40 years of building socialism in Yugoslavia. Have we not applied it in our model so far? It is applied by countries that have made their first steps in development.

"We continue to be concerned because a climate has been created in society, manifested by the following: We all talk about distribution. Just look at this social climate that has been created, a climate of distribution and allocation. Very little is said about creation, better work, increase in the efficiency of production, productivity of labor, integration processes, the introduction of an information system so the stocks of production materials, parts, and so forth may not burden the production costs so much so we may activate the reserves at our disposal, and so forth."

FEC President Branko Mikulic drew attention to the phenomenon of the tremendous increase in prices in 1987 but not in production and trade, which is impermissible. Work organizations must not expect much from the amendments to the Associated Labor Law, as one can see, Mikulic stressed, but must work more productively in the future and produce more.

'SUDDEN WAVE OF PRICE RISES' CAUSES CONCERN

LD292352 Belgrade TANJUG in English 1850 GMT 29 Jan 87

[Text] Belgrade, January 29 (TANJUG) -- Yugoslav Federal Market and Prices Secretary Aleksandar Donev today told delegates in the Assembly of Yugoslavia that the sudden wave of price rises in January has jeopardized the goals of the country's economic development for this year and that it is necessary for this reason to take immediate measures to check the uncontrolled rise in prices.

Donev said the Federal Government would for its part take the necessary steps to suppress the enormous hike in prices, but stressed that all those involved in the raising of prices must also take part in the action.

Donev warned that January's wave of price hikes could spread over the coming months and told delegates that requests by various enterprises to raise prices are continuing. By January 20, the Federal Institute for Prices already received over 440 requests from enterprises seeking to raise the prices of goods in the category of price-controlled goods. The requested prices increases are enormous -- up to 280 per cent in some cases.

The Assembly delegates also stressed the gravity of the situation caused by the January price increases. For this reason, it was decided that the Council of Republics and Provinces should prepare a far more argumented discussion on prices for its next session scheduled for February 26. The Yugoslav Government is expected to submit a more complete report at the February 26 session and propose concrete measures for curbing the price hikes.

KOSOVO LC EXAMINES FACTS FOR REHABILITATION

AU221514 Belgrade BORBA in Serbo-Croatian 19 Jan 87 p 3

[Text] Pristina, 18 Jan (TANJUG) -- The Kosovo LC Provincial Committee Presidium has formed a working group that will examine everything that happened in the Iosovo LC Provincial Committee in the 1970's and that led to a conflict with Jovo Sotra, Kadri Reufi, and Milos Sekulovic and to their expulsion from the LC.

Considering that the question of their rehabilitation has recently been raised several times by some of the media, the Presidium will inform the public about what happened within the leadership of that time by the end of February, after a detailed examination of the materials, shorthand reports, and discussions of several Provincial Committee's sessions held 15 years ago.

Informing those participating in the consultations with the Communists from the media in Kosovo about the Presidium's decision, Ramzi Koljgeci, member of the Kosovo LC Provincial Committee, said today that the Provincial Committee Presidium will not prejudge anything in connection with this question before facts relating to this period have been established.

EDITOR DOLNICAR STATES ARMY 'NOT ABOVE SOCIETY'

AU291907 Belgrade BORBA in Serbo-Croatian 19 Jan 87 p 3

[Zoran Medved Report: "Strong Army Is Guarantee for Freedom"]

[Excerpts] Ljubjana, 18 Jan -- It was a unique opportunity for an important topic such as the All People's Defense and Social Self-Protection -- and the Yugoslav People's Army as one segment of that system in particular -- to be jointly discussed in the same place by the representatives of the sociopolitical organizations and the media of one republic and the representatives of the Yugoslav People's Army and other parts of Armed Forces. The subject is particularly topical in Slovenia due to initiatives from this republic, initiatives that were discussed in various ways but often without going into greater depth.

Respect -- Political Necessity [subhead]

So, for instance, Joze Smole warned about the media's presentation of a distorted picture of Slovenia nd of "our views about this problem" as well as about the recent tendentious presentation of some initiatives, which is something one should oppose. [passage omitted]

In assessing certain political qualification contained in the material prepared by the Ljubljana Army District Command, Milan Meden, editor of Ljubljana DNEVNIK, said that they should be based on the initiatives presented at the 10th Slovene LC Congress and the 13th LCY Congress and that it was not politically justified to minimize congress resolutions. [passage omitted]

Mutual Trust [subhead]

DELO Editor Ivan Dolnicar first warned that too much is expected from the media and that it was an illusion that the media alone can fight unacceptable ideas without other subjects including the Yugoslav People's Army being obliged to do the same. Taking as an example the expression "we are dissatisfied," used by the members of the Yugoslav People's Army in their public appearances, Dolnicar said that the Army is in the service of society and that it is accountable to society, not something above it.

He is of the opinion that beliefs held in the Army must get rid of the obsession that the Army is under attack, and that when something like this is claimed, the time and place must be stated and not talked about in an arbitrary way. We have not achieved much by opening our Army barracks, said Dolnicar, because they fail to be sources of information. We must open internal life and work because at present, journalists cannot attend some consultations, meetings, etc.

Dolnicar informed the members of the Council for Press about the Slovene LC Central Committee's intentions to discuss the way KOMUNIST writes about this topic, and he pointed out that this was already incorrect now that we did not react to the alternative concept of defense (which has up to now been only assessed as an attack on the Yugoslav People's Army), the question pertaining to the essence of the nationality equality in the Yugoslav People's Army (the representativesness of officers cadre, language, and cultural activities), the security and defense of every individual, shortcomings in the socialization of the All-People's Defense and Social Self-Protection, what is and is not acceptable in the initiative about civilian rather than military service -- through arguments rather than disqualifications as it has been up to now --, what is democratization in the Armed Forces and in which respect it is possible, what is the meaning of the Yugoslav People's Army as a joint defense force and not having nationally homogeneous units, what the role is of the Committees for All-People's Defense and Social Self-Protection, and so forth. In this way we would, in his opinion, come forward in a vanguard way, with arguments and openly. We would have to agree to trust each other, so every discussion that differs would not be taken as an attack on the Yugoslav People's Army. We are all interested in the Army being strong in all the parts of Yugoslavia, and this presents a challenge to the Yugoslav People's Army personnel, too, to join in, Dolnicar said.

Milan Vucinic of the Federal Secretariat for National Defense assessed that there are plenty of reasons for considering this discussion optimistically. Such discussions are usual in other republics, too, although these lack a similar body, and the assessments made in the papers apply to all the communities in our country. [passage omitted] On the other hand, we believe no politically seriously thinking person in Yugoslavia expects us to be just a service that has to do what it is told.

BRIEFS

MOTOR VEHICLE EXPORTS -- Kragujevac, Jan 20 (TANJUG) -- The Crvena Zastava works of Kragujevac, Yugoslavia's major car manufacturer, this year will supply Nigeria with 30-million-dollar worth of 7,000 vehicles and spare parts. Foreign buyers this year demand 110,000 Zastava vehicles. Of this amount, 70,000 cars will go to the U.S., 11,000 to Egypt, 10,000 to Britain, 6,000 to Hungary, and an aggregate 10,000 cars to France, FRG, and Denmark. The works ships off vehicles also to Canada, New Zealand and Australia. Crvena Zastava turns out vehicles of its own design and under coproduction programmes with the Italian Fiat firm, and Soviet and Polish manufacturers. About half of its 1987 output of 210,000 cars will be sold at home. [Text] [Belgrade TANJUG in English 0618 GMT 20 Jan 87 LD]

ELECTRICITY, COAL PRICES RISE -- Belgrade, 19 Jan (TANJUG) -- Organizations in the electric power industry are raising the price of electricity throughout the country 12 percent starting 20 January. The aim is to increase electricity prices to world levels by the end of the decade. Coal prices are to increase throughtout the country from tomorrow also by an average 12 percent. [Belgrade TANJUG Domestic Service in Serbo-Croatian 1422 GMT 19 Jan 87 LD]